



Fiscal Year 2006  
**The Interior  
Budget in Brief**  
February 2005



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# FOREWORD

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## BACKGROUND AND ORGANIZATION

This document summarizes and highlights the programs of the Department of the Interior and its fiscal year 2006 President's budget request. It has been prepared for Members of Congress, congressional committees, and their staffs; Departmental and other Federal government officials; the press; and private citizens interested in the Department's programs.

The **DEPARTMENTAL OVERVIEW** section summarizes budgetary resource requirements at the Departmental level. The **DEPARTMENTAL HIGHLIGHTS** section presents major Department-wide programs and budget proposals linked to Interior's strategic plan. The **BUREAU HIGHLIGHTS** section presents a narrative summary of the budget request for each bureau and an in-depth comparison in tabular form of 2004, 2005, and 2006 budgetary resource estimates, in addition to brief descriptions of programmatic changes. The **APPENDICES** present tabular summaries of pertinent budgetary data. Appendix A is a Department-wide table, comparing 2006 requests with the 2005 enacted and 2004 actual amounts. Appendix B presents a crosswalk of 2006 funding to the strategic plan end outcome goals. Other appendices contain summaries of Interior bureau maintenance, construction, and land acquisition programs; cooperative conservation programs; the Everglades watershed restoration, invasive species, and recreational fee programs; mineral revenue payments to States; other grant and payment programs; receipt estimates; and staffing levels.

## USAGE AND TERMINOLOGY

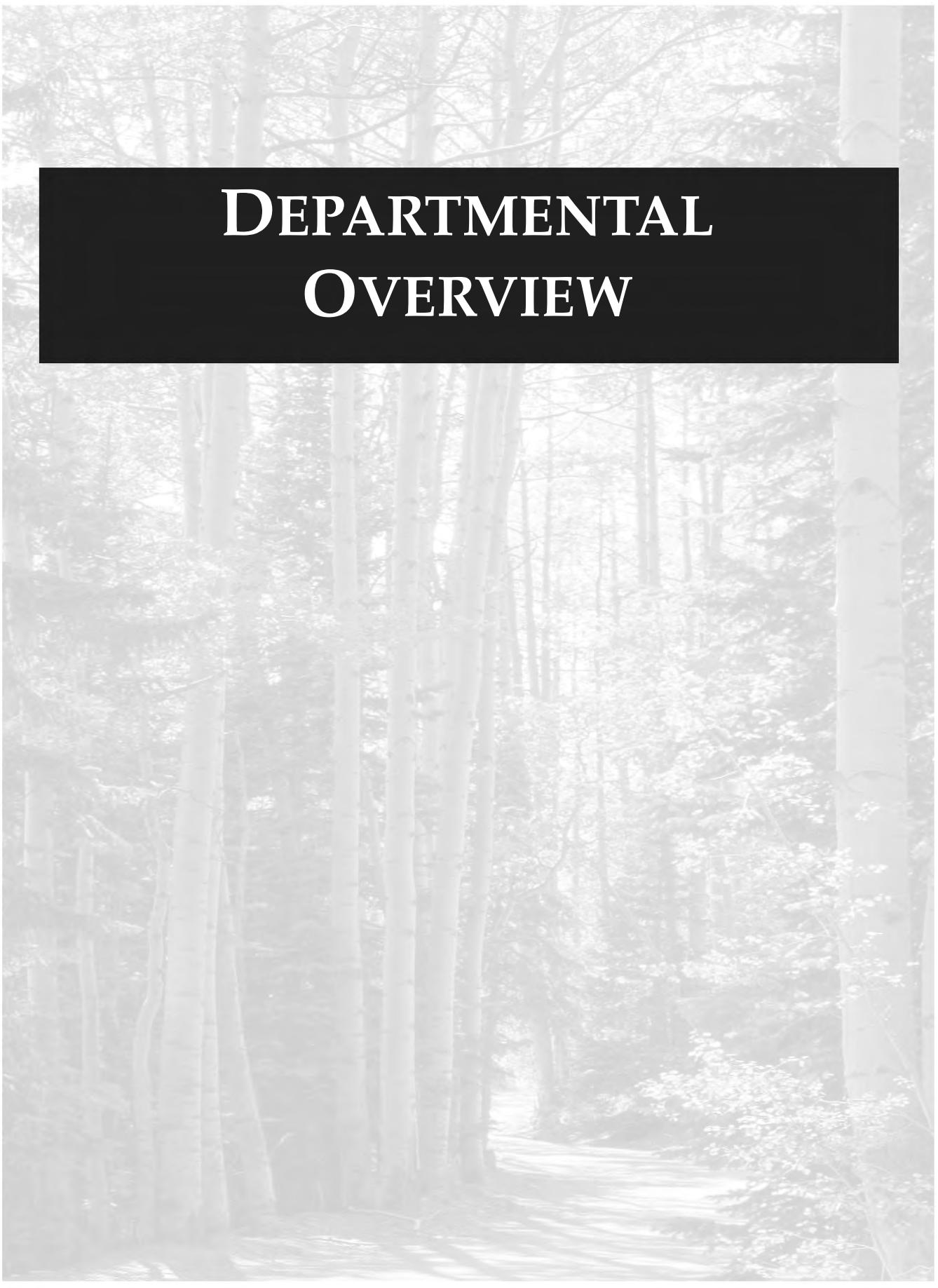
All years referenced are fiscal years unless noted, and amounts presented reflect budget authority unless otherwise specified. Numbers in tables and graphs may not add to totals because of rounding. Numbers shown in brackets [ ] are displayed for informational purposes and not included in totals.

References to **2005 estimate, 2005 appropriations, or 2005 enacted** signify amounts appropriated primarily in the Consolidated Appropriations Act, 2005, P.L. 108-447, which included both Interior and Related Agencies Appropriations and Energy and Water Development Appropriations. Both of these appropriations are subject to the bill-wide general provisions, and thus 2005 amounts include the 0.8 percent across-the-board rescission contained in the Act. Funding for Interior and Related Agencies Appropriations is also subject to the 0.594 percent across-the-board rescission contained in that portion of the Consolidated Act. References to **2004 appropriations, 2004 actual, or 2004 enacted** signify amounts appropriated primarily in the Interior and Related Agencies Appropriations Act, 2004, P.L. 108-108 and the Energy and Water Development Appropriations Act, 2004, P.L. 108-137. **Fixed costs** refer to costs that are unavoidable in the short term (*e.g.*, GSA-negotiated space rate costs, unemployment compensation, government-wide changes in pay). Additional information on the basis for the amounts used in this document is provided in the note following Appendix A.

A listing of frequently used acronyms follows:

BLM	Bureau of Land Management	SOL	Office of the Solicitor
MMS	Minerals Management Service	OIG	Office of Inspector General
OSM	Office of Surface Mining Reclamation and Enforcement	OST	Office of the Special Trustee for American Indians
CUP	Central Utah Project Completion Act	NRDAR	Natural Resource Damage Assessment and Restoration
USGS	U.S. Geological Survey	NIGC	National Indian Gaming Commission
FWS	Fish and Wildlife Service	FCI	Facility Condition Index
NPS	National Park Service	GPRA	Gov't. Performance and Results Act
BIA	Bureau of Indian Affairs	LWCF	Land and Water Conservation Fund
DO	Departmental Offices	PART	Program Assessment Rating Tool
DM	Departmental Management	PILT	Payments in Lieu of Taxes
OIA	Office of Insular Affairs		





# DEPARTMENTAL OVERVIEW





# Departmental Overview

*Local involvement is critical to ensuring successful, effective, and long-lasting conservation results. The executive order that I have signed today on cooperative conservation will help us make sure that decisions made in Washington, D.C. are well-informed by those closest to the land and their communities.*

*President George W. Bush, August 26, 2004*

Over the past four years, Secretary of the Interior Gale A. Norton has managed the Department with a vision of achieving healthy lands and waters, thriving communities, and a dynamic economy. In continuing to implement that vision, four principles shape our 2006 budget. First is the power of partnerships to leverage resources and achieve results. Second is the imperative of fiscal constraint to maintain a dynamic economic context. Third is an emphasis on investments that will help Interior work smarter, more efficiently, and more effectively. Fourth is the importance of funding those activities and programs linked to core Departmental responsibilities.

Those responsibilities are broad and geographically dispersed. The Department of the Interior delivers services and programs that touch the lives of all Americans. Interior's multi-faceted mission encompasses the four mission goals of the Department's strategic plan: resource protection, resource use, recreation, and serving communities. The President's 2006 budget for the Department of the Interior maintains performance across these goals and funds Presidential commitments and other high-priority Administration initiatives.

The President's 2006 budget provides an integrated package of management improvements; funding for essential, non-discretionary cost increases so that we can maintain current performance; a small number of program investments to enhance performance; and spending reductions in activities that, while important, are less central to the Department of the Interior's core mission, have ambiguous goals, duplicate activities of other agencies, or require less effort because key goals have been achieved.

The Department's 70,000 employees contribute to the Nation's environmental quality, economic vitality, and the well-being of communities, including the collection of nearly \$14 billion annually in revenues. The Department:

- Manages one in every five acres of land in the United States.
- Operates over 800 dams and irrigation system facilities.
- Oversees water projects that irrigate lands generating 60 percent of our Nation's vegetables.
- Manages lands and waters that generate one-third of the Nation's domestic energy supply.
- Undertakes research and provides scientific information to advance knowledge of our surroundings.
- Serves American Indians, Alaska natives, and affiliated island communities.
- Works with States to restore abandoned mine lands and protect communities.
- Manages 388 national park units and 545 wildlife refuges.

In her four years as Secretary of the Interior, Gale Norton has improved management effectiveness and efficiency, enhanced the delivery of services, and focused resources on highest-priority strategic goals. Over the past four years, Interior has:

- 
- Completed or planned over 4,000 improvement projects through the President's commitment to address the park maintenance backlog.
  - Removed hazardous fuels from more than four million acres—double the number treated in the preceding eight years—to reduce the threat of catastrophic fire and reestablish healthy forest and rangeland conditions.
  - Undertaken over 17,000 partnerships to advance the President's commitment to promote cooperative conservation.
  - Built nine new Indian schools, with 25 more in design or under construction to replace, improve, or repair schools in poor condition.
  - Added over 60 new hunting and fishing programs at 51 wildlife refuges.
  - Significantly increased the number of approved energy permit applications to drill and reduced the long-standing permit backlog.
  - Dramatically improved management across all areas, including financial accountability, information technology, human resources, facilities management, emergency planning and response, and strategic planning.

Performance lies at the center of the President's 2006 Interior budget request. Within the context of the President's plan to reduce the deficit, the Department's budget proposal maintains and enhances performance in meeting the goals of Interior's strategic plan. In doing so, the proposal continues to meet the President's commitments for Interior and support other high-priority Administration initiatives.

The President's 2006 budget proposes funding to maintain strong partnerships to maintain healthy lands, thriving communities, and dynamic economies. The budget will:

#### ***Resource Protection***

- Support healthy and productive lands through cooperative conservation and private stewardship.

- Revamp the Abandoned Mine Land program to expedite the clean up of hazardous abandoned mine sites.
- Fulfill the President's commitment to address the deferred maintenance backlog in the national parks.
- Help local communities find self-sustaining ways to manage historical properties and promote heritage tourism through Preserve America.

#### ***Resource Use***

- Reduce conflict over water in the West by increasing the efficiency of water use through Water 2025.
- Develop the Nation's energy resources efficiently and responsibly.

#### ***Recreation***

- Enhance recreation opportunities on Federal lands by improving visitor services at national parks, refuges, and other public lands and by transitioning from the Recreational Fee Demonstration program to fully implement the Federal Lands Recreation Enhancement Act.

#### ***Serving Communities***

- Provide better service and greater accountability to Indian trust beneficiaries through reform and improved management of trust programs.
- Improve the operations and maintenance of BIA detention centers.
- Promote healthy forests, dynamic economies, and safer communities through the President's Healthy Forests Initiative.
- Enhance earth sciences information and analysis to improve resource management and reduce risks from natural hazards, including tsunamis.

#### ***Management Excellence***

- Continue investments to integrate Interior's business and financial management systems, enhance information technology security, and achieve greater efficiencies through strategic management of the workforce.

**BUDGET AUTHORITY AND RECEIPTS  
FOR 2004, 2005, AND 2006**  
(in millions of dollars)

	2004 <u>Actual</u>	2005 <u>Enacted</u>	2006 <u>Request</u>	Change from 2005
<b>BUDGET AUTHORITY</b>				
Total Current Appropriations .....	10,880	10,864	10,763	-101
Permanent Appropriations.....	3,646	5,163	4,195	-968
Total.....	<u>14,526</u>	<u>16,027</u>	<u>14,958</u>	<u>-1,069</u>
[Net discretionary BA in above] .....	[10,796]	[10,766]	[10,647]	[-119]
<b>RECEIPTS</b>				
Outer Continental Shelf .....	5,105	5,886	7,131	+1,245
Onshore Mineral Leasing .....	2,384	3,751	3,678	-73
Other Offsetting Receipts.....	1,809	2,607	2,350	-257
Non-Offsetting Receipts.....	600	622	621	-1
Total.....	<u>9,898</u>	<u>12,866</u>	<u>13,780</u>	<u>+914</u>

*Note: Numbers may not add due to rounding.*

## THE NUMBERS

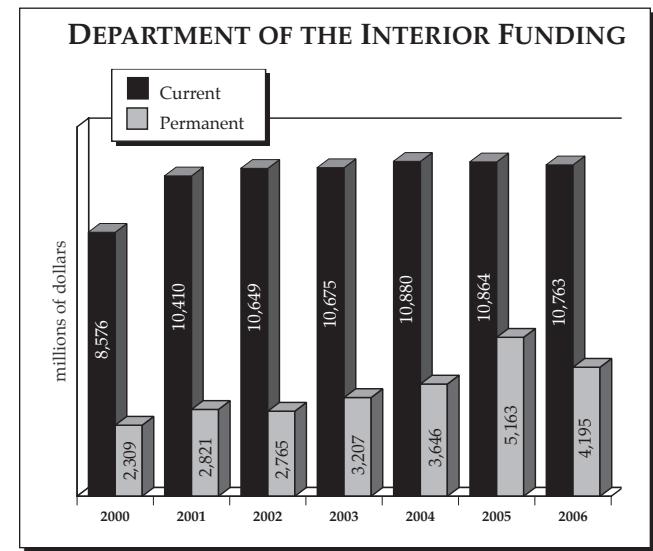
The 2006 budget request for current appropriations is \$10.8 billion. Permanent funding that becomes available as a result of existing legislation without further action by the Congress will provide an additional \$4.2 billion for a total 2006 Interior budget of \$14.958 billion.

The 2006 current appropriations request is a decrease of \$101.2 million or 0.9 percent below the 2005 funding level. If contingent emergency fire funding provided in 2005 is not counted, the 2006 request is a decrease of \$2.6 million or 0.02 percent below the 2005 level.

The 2006 request includes \$9.8 billion for programs funded in the Interior and Related Agencies Appropriations Act, a decrease of \$69.7 million or 0.7 percent from the 2005 level.

The request for the Bureau of Reclamation and the Central Utah Project, funded in the Energy and Water Development Appropriations Act, is \$981.1 million, \$31.5 million or three percent below the 2005 funding level.

Receipts collected by the Department in 2006 are projected to be \$13.8 billion, an increase of \$914 million and equivalent to 128 percent of the Department's current appropriations request.



## ACCENT ON RESULTS: MANAGEMENT EXCELLENCE AT INTERIOR

Meeting the Department's many responsibilities requires a constant search for ways to work smarter. In 2006, Interior will continue implementation of the President's management agenda and our Accent on Results initiatives.

**Budget and Performance Integration** — Budget and performance integration lies at the heart of ensuring both the strategic allocation and efficient use of funds. Interior's approach to this integration extends beyond the cyclic budget formulation process. It includes an intensive and expansive review of base budgets to identify opportunities to redirect resources to higher priorities, realize additional gains in effectiveness and efficiency, and implement the Program Assessment Rating Tool recommendations. Departmental employees are coding their time and purchases to activities that describe the work of the Department through an activity based cost management system. Interior has adopted an SES performance management and appraisal program to emphasize strategic plan goals through the performance of each executive and is in the process of cascading goals down to non-SES employees as the basis for pay, awards, development, retention, removal, and other personnel decisions.

**Financial Performance** — The Department is transforming its financial management functions to create a world-class financial management structure that links planning and budgeting with performance results; performs efficient and reliable transaction processing; recruits, trains, and rewards top financial management talent; and focuses on analysis to improve the business information available to program managers. Interior received a clean audit opinion on its consolidated statement for the eighth year, completed the 2004 audit within 45 days of the end of the fiscal year, and corrected or downgraded seven material weaknesses from 2003. Interior is migrating financial and other business systems to the Financial and Business Management System, which will replace a variety of outdated, stand-alone, mainframe-based systems that are costly to operate, difficult to secure, unable to provide timely financial and performance information, and do not comply with financial system standards.

**E-Government** — Interior has significantly improved its IT environment by deploying an e-government strategy and laying plans to move from stove-piped legacy systems to government-wide and Departmental solutions. Using its enterprise architecture, Interior can identify duplicative systems that will come off line with the availability of new systems. Using 20 industry-standard indicators, Interior reduced its IT security vulnerabilities, is continuing ongoing testing, and completed system certification for all systems. Interior continues to improve the capital planning and investment process to promote common technology solutions for shared business needs across the bureaus and eliminate single-use, duplicative, legacy systems.

**Human Capital** — Interior's efforts to improve the management of human capital build upon the *Strategic Human Capital Management Plan* — FY 2003-2007. As outlined in the plan, bureaus have developed workforce plans that are guiding human resources management throughout the Department. A Human Capital Team provides recommendations for migrating to e-government solutions, including the Learning Management System; leads efforts to develop an inventory of future needs for training programs throughout the Department; and guides consistent approaches to bureau and office practices. The Department has restructured its human resources functions and diversity efforts to better integrate budget, performance, and workforce management as well as realigning law enforcement and information technology organizations to enhance coordination and improve oversight.

**Competitive Sourcing** — Competitive sourcing provides a means for bureaus and offices to periodically evaluate business practices and develop more effective ways to deliver service. As a result of competitive reviews already completed, the bureaus and offices throughout Interior are realizing savings. In its most recent report to Congress, the Department indicated that it had completed eight competitive reviews involving 383 FTE in 2004. As a result of three standard reviews completed in 2004, the bureaus and offices implemented more efficient business processes while retaining 100 percent of the work performed (based on FTE) in-house and realizing net savings of \$3.2 million.

**Asset Management** — Under the new Executive Order for federal real property management, the Department has consolidated its leadership functions for real property, asset management, and acquisition into one organization and is developing an asset management plan. The plan will provide the framework for the Department's asset management program, building on successes throughout the Department that include: adoption of a state-of-the-art automated facilities management system; asset condition inventories; use of facility condition indices to measure performance; five-year planning for construction; and capital asset and investment control.

## SUPPORTING THE DEPARTMENT'S MISSION

The 2006 current appropriations request of \$10.8 billion aligns with the four strategic mission components of the Department's strategic plan as follows:

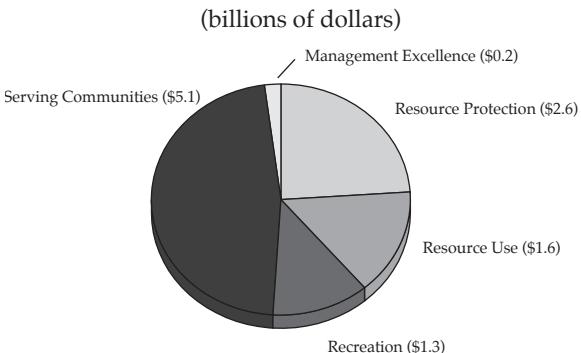
**Resource Protection** — The 2006 budget includes \$2.6 billion for resource protection for programs that improve the health of landscapes and watersheds, sustain biological communities, and protect cultural and natural heritage resources.

**Resource Use** — The 2006 budget proposes \$1.6 billion to better meet increasing demands for water resources and to implement important components of the National Energy Policy.

**Recreation** — The 2006 budget proposes \$1.3 billion in recreation investments that improve visitor services and access to recreational opportunities.

**Serving Communities** — The 2006 budget includes \$5.1 billion for serving communities, increasing efforts to fulfill responsibilities for trust management; improving services to Tribes and individual Indians; and addressing the needs of Indian education. Funding to serve communities also supports the President's Healthy Forests Initiative and strengthens the wildland fire program; law enforcement activities; and the quality of scientific information upon which policy decisions are based.

### INTERIOR FUNDING BY MISSION GOAL



## MAINTAINING CORE PROGRAMS

The work of the Department is spread across the country at 388 parks and 545 wildlife refuges; on 262 million acres of public land; at 83 field locations and 184 schools serving 562 Indian Tribes and 1.5 million Native Americans; at over 2,500 dams and 348 reservoirs; and at numerous laboratories and field research sites. These sites are not just acres and buildings. Collectively they represent America's heritage. The core responsibility of the Department is to maintain the resources in its charge and to provide services to those who use or rely on them: park visitors, wildlife watchers and hunters, stockmen and miners, Tribes and individual Indians, farmers and electric power users.

The work of the Interior Department is people intensive, with 70,000 employees spread across 2,400 operating locations. Pay and benefit costs in the bureau operating appropriation accounts that support the Department's on-the-ground programs are 48 percent of total costs—a percentage higher than for most other Federal agencies.

Over the past four years, the Department has worked smarter, improving the efficiency and effectiveness of our programs through implementation of the President's management agenda and the Department's Accent on Results initiatives. These efforts are summarized on the previous page and described in more detail in the Management Excellence chapter of this volume.

For 2006, a key component of the Department's budget is funding to cover pay increases and other non-discretionary fixed cost increases for health



benefits, workers and unemployment compensation payments, rental payments for leased space, and operation of centralized administrative and business systems. Providing for these costs will allow the Department to maintain basic services and dedicate continuing improvements in efficiency and effectiveness to better serve the public.

The budget includes \$158.6 million for nondiscretionary fixed-cost increases. Of this total, nearly three-quarters, or \$115.7 million, is for higher pay costs. The budget assumes a January 2006 pay increase of 2.3 percent.

In addition to covering nondiscretionary fixed cost increases, the budget includes new investments for tools to enable Interior's employees to do their jobs more efficiently and generate cost savings through implementation of standardized systems.

An increase of \$9.4 million will support continued implementation of the Financial and Business Management System, which is integrating financial management, procurement, property management, and other systems and will be the basis for re-engineered administrative processes throughout Interior. As FBMS becomes fully operational, over 80 legacy systems will be retired and their functionality replaced by standardized business processes within FBMS. The National Park Service and Fish and Wildlife Service are scheduled to transition to FBMS in 2006.

The 2006 budget includes an increase of \$7.0 million to continue implementation of the Enterprise Services Network. The ESN leverages the existing Bureau of Indian Affairs Trustnet, expanding it Department-wide, to provide secure, state-of-the-art internet and intranet connections and a fully functional operational center for data communications. In addition to providing better services for many Interior offices, the system will provide a uniformly secure environment, standardized and efficient 24 hour/7 day operation, and improved technical support.

## PROGRAMMATIC BUDGET HIGHLIGHTS

**Cooperative Conservation Programs** — Through partnerships, Interior works with landowners and others to achieve conservation goals across the Nation and to benefit America's national

### SUMMARY OF MAJOR CHANGES (current budget authority in millions of dollars)

#### INTERIOR AND RELATED AGENCIES

2005 Enacted level .....	9,851.8
Abandoned Mine Reclamation .....	+58.0
Fire	
Suppression.....	+15.7
Hazardous fuels reduction projects.....	+10.3
Rural fire assistance .....	-9.9
2005 contingent funding .....	-98.6
Indian Trust	
Historical accounting.....	+77.8
Trust operations ( <i>net</i> ).....	+2.3
Land Management Operations	
BLM operations .....	+15.9
FWS operations .....	+22.6
NPS operations.....	+50.5
USGS	
Tsunami warning system.....	+5.4
Landsat program.....	+19.5
Minerals Resources program.....	-28.5
Grants and Payments	
Landowner Incentive program .....	+18.3
Private Stewardship grants .....	+3.1
State and Tribal Wildlife grants.....	+5.0
N. American Wetlands Conservation Fund .....	+12.5
Preserve America .....	+12.5
Save America's Treasures.....	-14.6
Statutory and Contractual Aid.....	-11.2
Heritage Partnership programs .....	-9.6
LWCF Stateside grants .....	-89.6
PILT .....	-26.8
BIA	
Law Enforcement and Detention Centers ..	+19.2
Tribal Colleges and Universities .....	-9.8
Johnson-O'Malley Assistance Grants.....	-8.8
Education Construction .....	-89.5
Settlements.....	-19.4
Other	
Range Improvement Fund.....	-10.0
BLM construction.....	-4.9
FWS construction .....	-33.0
NPS construction.....	+22.2
Federal Land Acquisition.....	+11.3
Financial & Business Management System .....	+9.4
Enterprise Services Network.....	+7.0
Net, all other program changes.....	-4.0
<b>2006 Budget Request.....</b>	<b>9,782.1</b>
<i>Fixed cost changes (non-add) .....</i>	[+158.6]

#### ENERGY AND WATER DEVELOPMENT

2005 Enacted Level .....	1,012.5
Bureau of Reclamation and Central Utah Project	
Water 2025 .....	+10.5
CALFED .....	+35.0
Rural Water .....	-29.5
CUPCA .....	-13.3
Net, all other program changes.....	-34.2
<b>2006 Budget Request.....</b>	<b>981.1</b>
<b>Total 2006 Budget Request.....</b>	<b>10,763.1</b>

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parks, wildlife refuges, and other public lands. The 2006 budget includes \$381.3 million for the Department's cooperative conservation programs. These programs leverage limited Federal funding, typically providing a non-Federal match of 50 percent or more. They provide a foundation for cooperative efforts to protect endangered and at-risk species; engage local communities, organizations, and citizens in conservation; foster innovation; and achieve conservation goals while maintaining working landscapes.

The Landowner Incentive and Private Stewardship programs are proposed to be funded at a total of \$50.0 million, an increase of \$21.4 million from 2005. These programs work with States, Tribes, communities, and landowners themselves to provide incentives to conserve sensitive habitats, while allowing traditional land management practices such as farming and ranching to continue to maintain the fabric of local communities.

Challenge cost share programs in FWS, NPS and the Bureau of Land Management are funded at \$44.8 million. These cost share programs better enable the land management agencies to work together and with adjacent communities, landowners, and other citizens to achieve common conservation goals. The 2006 proposal represents an increase of \$25.7 million.

Increased funding is also proposed for a suite of FWS cooperative programs including the Partners for Fish and Wildlife program, Coastal program, and Migratory Bird Joint Ventures program. These programs provide a significant foundation for a cooperative approach to conservation.

Level or increased funding is proposed for FWS grant programs, including the North American Wetlands Conservation Fund, State and Tribal Wildlife grants program, and Cooperative Endangered Species Conservation Fund.

**Sustaining Biological Communities** — Targeted increases in FWS and BLM will focus new resources on the recovery of endangered, threatened, and at-risk species and increase interagency efforts to curtail harmful invasive species. These include a programmatic increase of \$1.9 million for general program activities in the FWS Endangered Species Act recovery program and \$7.0 million in BLM to strengthen and expand efforts to conserve and restore sagebrush habitat to maintain sage-grouse populations. An increase of \$2.3 million in FWS,

BLM, and the U.S. Geological Survey will support a focus on invasive species on an eco-region basis.

**Abandoned Mine Lands** — Consistent with the Administration's 2005 reauthorization proposal for the 1977 Surface Mining Control and Reclamation Act, the 2006 budget supports the Administration's vision for reauthorizing the AML program. It provides \$147.5 million in AML grants to non-certified States, and another \$58.0 million in AML grants to certified States and Tribes. Under the funding formulas in the 1977 Act, AML funding is increasingly directed to States with significant current coal production, but few if any abandoned mines. The Administration's approach would direct new AML funding to reclamation of unhealthy and unsafe abandoned mines and provide for repayment to States that have completed mine reclamation of their statutory share of AML fees collected under the 1977 law.

**Park Maintenance Backlog** — The 2006 budget includes \$716.6 million for construction and park facility maintenance, an increase of \$27.1 million. Included within the increase are \$22.2 million more for NPS construction and \$3.4 million in the repair and rehabilitation program for repair of high-priority historic buildings. Including recreation fees and funds in the President's proposal for reauthorization of the Transportation Equity Act for the 21<sup>st</sup> Century, NPS deferred maintenance funding will exceed \$1.1 billion in 2006. The 2006 request will bring funding for park maintenance over five years to \$4.9 billion, as pledged by then-Governor George W. Bush in 2000.

**Everglades Restoration** — Within the 2006 request for NPS construction is \$25.0 million for the modified water deliveries project, a key to restoration of natural flows in the Everglades. Under a new agreement between the Department and the Corps of Engineers, the cost to complete the project will be shared by NPS and the Corps. The 2006 budget for the Corps includes \$35.0 million for the Mod Water project. Over the period 2007 to 2009, the Corps will contribute an estimated additional \$89.0 million and NPS an additional \$42.0 million. The 2006 NPS contribution consists of \$8.0 million in new funding and \$17.0 million redirected from unobligated balances for Everglades land acquisition that are not currently needed for high-priority acquisitions.

**Preserve America** — Through the Preserve America program, the President and the First Lady

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are encouraging community efforts to preserve the Nation's historic and cultural heritage. The 2006 budget includes \$12.5 million for Preserve America grants to support communities in finding sustainable uses of historic and cultural sites and developing economic and educational opportunities related to heritage tourism.

**Water 2025—Preventing Crises and Conflicts in the West** — The 2006 budget request includes an increase of \$10.5 million for Water 2025, for a total funding level of \$30.0 million. In many basins in the West, water demands for people, cities, farms, and the environment exceed the available supply even in normal, non-drought years. The goal of Water 2025 is to improve the efficiency of existing water uses, stretching water supplies to meet increasing demand and preventing crises and conflicts over water in the West.

**Trust Programs** — The budget provides \$591.4 million to continue the Department's ongoing efforts to reform management of its fiduciary obligations to Tribes and individual Indians, to continue historical accounting efforts for trust funds, and to reduce the exponentially growing costs of maintaining fractionated interests of Indian lands. Within this total, funding for historical accounting is proposed to increase from \$57.2 million to \$135.0 million. An increase of \$9.6 million would strengthen efforts to address the current backlog of unresolved probate cases.

**BIA Detention Centers** — The budget includes increases of \$16.7 million for detention centers in Indian country. Of the total, \$7.3 million will support detention operations at four new centers currently under construction with Department of Justice funding and for facility operations and maintenance at 19 detention centers built with Department of Justice grants since 2001. The balance of the increase addresses substandard facility conditions in older BIA detention facilities highlighted in a recent Inspector General report. The budget for detention center improvement and repair will nearly double, with an additional \$4.4 million. An increase of \$5.0 million will support contracts to place arrested and convicted persons in non-BIA detention facilities that meet national standards when adequate BIA facilities are unavailable.

**Indian Education** — To complement BIA efforts to implement the No Child Left Behind Act, the 2006 budget proposes \$2.0 million to pilot leadership academies at four BIA schools. Leadership

academies in public school systems have been successful in raising the academic performance of school children and motivating them to continue their education. To continue the improvement of facility conditions at BIA schools, the budget includes \$173.9 million for education construction. This amount will fund replacement of the Porcupine Day School in South Dakota, and the first phase of replacement of the Crownpoint Community School in New Mexico, and will also fund four major facilities improvement and repair projects. In order to allow focus on the 25 school replacement projects funded in prior years that are in design phases or under construction, the education construction budget reflects a reduction of \$89.5 million from 2005.

**Healthy Forests** — The 2006 budget supports the President's Healthy Forests Initiative with a \$211.2 million budget for hazardous fuels reduction in the wildland fire program, a net program increase of \$7.8 million over the 2005 enacted level. The hazardous fuels budget includes a program increase of \$10.3 million for fuels projects, partially offset by a scheduled \$2.5 million reduction in funding for development of the LANDFIRE vegetative mapping and imaging system.

Funding in the wildland fire program together with funds for forest and range improvement in the land management agencies and BIA, will provide approximately \$313.0 million in 2006 to reduce the build-up of hazardous fuels in the Nation's forests and rangelands, reduce the risk of catastrophic fire to communities, protect threatened and endangered species, and support other activities under the Healthy Forest Restoration Act of 2003.

**Wildland Fire** — In addition to funding additional hazardous fuels reduction projects, the 2006 wildland fire budget includes increases of \$15.7 million to fund suppression operations at the 10-year average and \$5.0 million to maintain the 2004 aviation fleet reconfiguration. In total, the 2006 budget for wildland fire management is \$756.6 million, a net increase of \$23.9 million over 2005, not including \$98.6 million in 2005 contingent emergency funding.

**Tsunami Warning System** — As part of a \$37.5 million two-year commitment by the Administration to expand U.S. tsunami detection and monitoring capabilities, the 2006 budget includes \$5.4 million for USGS facilities and operations to provide more robust detection and notification of

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earthquakes that could trigger tsunamis. A 2005 budget supplemental request will seek \$8.1 million for USGS to begin work on these enhancements. The balance of the funding for the tsunami warning system is in the National Oceanic and Atmospheric Administration budget.

**Landsat** — The 2006 budget requests \$7.5 million for USGS to begin work on an upgraded ground-processing system to acquire, process, archive, and distribute data from a new generation of satellite-based land image sensors. The first Landsat Data Continuity Mission sensor will be flown on a NOAA polar orbiting satellite scheduled for operation in 2009. To continue the 30-year unbroken record of data on the Earth's continental surface collected by the Landsat program, the budget includes a \$12.0 million increase to support continued operation of the Landsat 7 satellite in 2006 and to repay a planned reprogramming for 2005 Landsat 7 operations. Although Landsat 7 data remains valuable and usable, revenue from commercial sale of the data that normally supports the Landsat program has sharply decreased as a result of the failure of the satellite's scan line corrector.

**Payments in Lieu of Taxes** — The PILT payments are made to local governments in lieu of tax payments on Federal lands within their boundaries and to supplement other Federal land receipts shared with local governments. The 2006 budget proposes \$200.0 million for these payments. The 2006 request is 60 to 97 percent higher than the PILT payments during the 1990's and is the same level as 2001, but is a reduction of \$26.8 million from the record high 2005 payment level.

## PROGRAM TERMINATIONS AND REDUCTIONS

As part of the President's effort to reduce the budget deficit by half over five years, the 2006 budget for the Department makes difficult choices to terminate or reduce funding for programs that are less central to the Department's core missions, have ambiguous goals, duplicate activities of other agencies, or require a lower level of effort because key goals have been achieved. Terminations and reductions include lower priority and one-time earmarks enacted in 2005. Other terminations and reductions include the following:

**LWCF State Grants** — The 2006 budget terminates

funding for Land and Water Conservation Fund State grants, a reduction of \$89.6 million from the 2005 level. The LWCF State grants support State and local parks that have alternate sources of funding through State revenues and bonds. As the Nation strives to trim the Federal deficit, focusing on core Federal agency responsibilities is imperative. A 2003 PART review found the program could not adequately measure performance or demonstrate results. The 2006 budget continues funding for the administrative portion of the grant program at \$1.6 million, which will be used to review the accountability and performance of grants provided in previous years.

**Rural Fire Assistance** — The 2006 budget for Wildland Fire continues partnerships with local fire departments, proposing an increase in the Preparedness program to provide advance training to local firefighters to help build a ready reserve of local firefighters that can support extended attack and thereby improve the effectiveness of Federal cooperation with local firefighting agencies. Rural Fire Assistance grants, which provided funds to local fire departments for equipment and basic training, are eliminated as a separate funding source in anticipation that the equipment and training needs of local fire departments will be met through the much larger Forest Service and FEMA fire assistance programs.

**Jobs-in-the-Woods** — The budget proposes to discontinue the Jobs-in-the-Woods program, which was created in the early 1990s as a temporary program to assist displaced timber workers in the Pacific Northwest by offering resource-based job opportunities to improve water quality and restore Oregon's coastal salmon populations. As most workers have transitioned and timber sales are increasing, the budget proposes to focus resources on programmatic priorities, including offering the full allowable sale quantity under the Northwest Forest Plan and supporting the Plan's requirement that late-successional reserves be managed to stimulate old growth characteristics.

**USGS Minerals Resources Program** — The budget reduces funding for the USGS Minerals Resources program by \$28.5 million. The budget continues funding for minerals surveys and studies that are relevant to ongoing Federal energy, land management, regulatory, and remediation activities. Funding is reduced for studies and information gathering for regional and local activities that are more oriented to the interests of States, local

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governments, and universities, all of whom are significant users of information generated by the Minerals Resources program.

**Johnson-O'Malley** — The budget includes a reduction of \$8.8 million for the Johnson O'Malley grant program. These grants for Indian children attending public schools do not currently address a focused goal for academic achievement and duplicate similar funding made available by the Department of Education. The budget provides \$7.8 million for grants to continue the highest-priority components of this program.

**NPS Statutory and Contractual Aid** — The budget does not continue funding for \$11.2 million in Statutory and Contractual Aid activities that are secondary to the primary mission of NPS.

## OTHER MAJOR CHANGES BY BUREAU

### BUREAU OF LAND MANAGEMENT

The budget proposes \$960.2 million for BLM's two operating accounts, an increase of \$15.9 million over the 2005 enacted level.

Major program increases not discussed above include: an increase of \$1.0 million for law enforcement to hire additional officers and fund agreements and initiatives with State and local agencies; a \$400,000 increase to expand BLM's ongoing work on Columbia River salmon recovery; and a \$1.6 million increase for information technology improvements.

The request for BLM operations also includes \$35.0 million in program reductions. This includes a \$9.0 million reduction to the Alaska conveyance program to return the pace of the program to the more sustainable level envisioned in the 2005 President's budget. A \$2.5 million reduction to the wild horse and burro program is made possible by management improvements and cost efficiencies that have recently been identified. The budget proposes a decrease of \$2.1 million in the energy and minerals program, which will be more than offset by \$9.0 million in increased cost recoveries, enabling the program to more expeditiously eliminate its applications for permits to drill backlog and respond to demand for access to domestic energy sources. There is a \$1.7 million reduction for the

Alaska minerals program, funding the program at the same level as the 2005 request. Other decreases include reductions for low-priority projects, narrowband radios, and savings achieved from adopting efficiency measures.

The BLM budget includes an increase of \$2.2 million for land acquisition and a reduction of \$4.9 million for construction. The Central Hazardous Materials Fund is shifted from BLM to the Department.

### MINERALS MANAGEMENT SERVICE

The request for MMS direct appropriations is \$167.4 million, a net decrease of \$6.4 million from the 2005 enacted level. Collections from Outer Continental Shelf rents and other fee sources will provide an additional \$122.7 million, for a total of \$290.2 million for MMS operations. This is a net increase of \$12.6 million over the 2005 enacted level.

The MMS 2006 budget supports the National Energy Policy, which focuses on increasing and diversifying the Nation's sources of traditional and alternative fuels. The 2006 budget proposes \$1.6 million for a deepwater helicopter initiative to meet industry demands, which continue to move further offshore. The budget also proposes a \$1.0 million increase for Gulf of Mexico region interpretive technologies to support oil and gas evaluations and estimates. An increase of \$1.2 million would allow MMS to begin a records management improvement project. The 2006 budget includes a \$630,000 increase to improve oversight of tribal cooperative audits. The MMS 2006 budget also includes a \$9.8 million increase for the royalty-in-kind program, for administration costs previously funded through receipts.

The 2006 request also includes \$19.0 million in additions to offsetting collections, with a corresponding \$19.0 million reduction to appropriated funds. These collections will include \$13.5 million for a new permit-processing fee, \$4.5 million for adjusted rental rates due to inflation, and an additional \$1.0 million in cost-recovery fees. The budget includes program decreases of \$2.5 million for office closures, consolidation of administrative support, and other operational cost savings.

### OFFICE OF SURFACE MINING

The OSM 2006 budget requests \$356.5 million, consistent with the Administration's approach to AML reauthorization as discussed earlier. The

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2006 AML budget will result in the reclamation of 8,200 acres of disturbed land and other hazards that threaten human health and welfare and environmental quality, removing an estimated 142,000 people from risk. In addition to the increase for AML grants discussed earlier, the budget includes increases of \$1.0 million for high-priority projects and \$1.1 million for watershed cooperative agreements.

The 2006 request for the Regulatory and Technology account is \$110.5 million, a \$2.2 million increase over the 2005 enacted level. This increase will expand OSM's national technical training program, the technical innovation and professional services program, and will fund applied sciences initiatives for such things as underground mine mapping.

#### BUREAU OF RECLAMATION

The 2006 Reclamation budget requests \$946.7 million in current appropriations, including the \$30.0 million for Water 2025 discussed above. This is \$18.2 million below the 2005 enacted level.

The budget emphasizes Reclamation's core mission of delivering water and power, with a focus on ensuring facility integrity, site security, and working smarter to efficiently manage the West's limited water supplies. Individual project/program figures do not include undistributed reductions of \$30.2 million for under-financing in anticipation of delays in construction schedules and other planned activities.

A total of \$69.9 million is requested for the Safety of Dams program, an increase of \$6.4 million. The increase includes \$44.6 million to initiate safety-of-dams corrective actions and \$18.5 million for safety evaluations of existing dams.

The \$128.0 million request for the Central Valley Project includes a \$3.1 million increase for the CVP replacements, additions, and maintenance program. The 2006 request includes \$16.6 million for the Colorado – Big Thompson project, an increase of \$5.6 million.

A total of \$50.0 million is requested for site security to ensure the safety and security of facilities, an increase of \$6.8 million. The 2006 budget proposes that the operation and maintenance-related security costs for Reclamation facilities be reimbursed by project beneficiaries, consistent with the practice for other operation and maintenance expenses.

The budget includes \$52.0 million for the Animas La Plata project to continue implementation of the Colorado Ute Settlement Act. This is the same level of funding as the 2005 enacted level and will provide for continued construction of the Ridges Basin Dam and the Durango pumping plant.

The request funds rural water supply projects at \$57.5 million, \$29.5 million below the 2005 enacted level. Funding is requested for the Mni Wiconi, Garrison, and Lewis and Clark projects. The overall reduction is due, in part, to a decrease of \$17.0 million resulting from the projected completion of the Mid-Dakota rural water project in 2005. The balance of the reduction results from a decision to focus primarily on ongoing rural water projects until establishment of a formal Reclamation rural water program, as recommended in earlier PART and common measures evaluations.

The budget proposes to re-allocate repayment of capital costs of the Pick-Sloan Missouri Basin program. Power customers would be responsible for repayment of all construction from which they benefit, whereas to date they have only been responsible for a portion of the costs. This change would increase reimbursements from power customers by \$33.0 million in 2006, and declining amounts in future years. Rate increases for power customers could be phased in over time. Authorizing legislation will be submitted.

The budget requests \$35.0 million for CALFED pursuant to the new authorization for this water management, ecosystem restoration, water quality, water supply, and flood protection program. This adaptive management program in California's Central Valley and San Francisco Bay-Delta is proactively addressing conflicts over water scarcity.

#### U.S. GEOLOGICAL SURVEY

The USGS budget request is \$933.5 million, \$1.9 million below the 2005 enacted level. The 2006 budget refocuses research priorities to ensure that USGS not only maintains, but also build its expertise in the areas of science most needed by today's land managers and other decisionmakers. The budget adds \$50.5 million in new program and fixed cost funding, which is offset by redirecting \$36.7 million from lower-priority research activities, eliminating \$12.0 million in earmarked funding, and achieving \$3.7 million in administrative savings.

As discussed earlier, the budget strengthens the

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hazards program with additional funding for the earthquake detection and warning system and funds a new Landsat Data Continuity Mission and the 2005 and 2006 revenue shortfalls associated with the Landsat 7 failure. The budget also provides an additional \$864,000 for volcano monitoring in the wake of volcanic events at Mt. Saint Helens and increased activity at Three Sisters and Mauna Loa.

Other increases include \$2.3 million in biological research, including increases to meet the science needs of Interior bureaus and to support research activities at the Grand Canyon. Additionally, the budget adds \$400,000 for the water availability efforts currently underway in the Great Lakes, \$500,000 for geothermal assessments, and \$912,000 to strengthen ecosystem studies in Puget Sound.

#### FISH AND WILDLIFE SERVICE

The 2006 FWS budget proposes \$1.3 billion, an increase of \$30.9 million over the 2005 level.

The request for Resource Management, the principal operating account, is \$985.6 million, a net increase of \$22.6 million. Included within this request are programmatic increases of \$2.3 million for hatchery operations and \$3.1 million for migratory bird conservation and monitoring.

The budget also proposes net programmatic increases in the Resource Management account of \$4.2 million for the Partners for Fish and Wildlife program, \$3.0 million for the Coastal program, \$7.7 million for the refuge system challenge cost share program, and \$2.6 million for the Migratory Bird Joint Ventures program. These increases, part of the Secretary's cooperative conservation program, are to be funded out of the Land and Water Conservation Fund.

Increases in the Resource Management account are partially offset by reductions of one-time or lower-priority earmarks.

To support conservation partnerships, the budget proposes increases for FWS cooperative grant programs, including \$18.3 million for Landowner Incentive Program grants, \$3.1 million for Private Stewardship grants, \$5.0 million for the State and Tribal Wildlife grants program, and \$12.5 million for the North American Wetlands Conservation Fund. Funding is \$80.0 million for the Cooperative Endangered Species Conservation Fund.

The land acquisition request is \$41.0 million, a \$3.8 million programmatic increase over 2005. This includes funding for land and water rights acquisition in the Upper Klamath basin. This project will enhance water quality and restore habitat for the endangered Lost River and shortnose suckers as well as anadromous fish populations downstream of Upper Klamath Lake.

A reduction of \$33.0 million is proposed for the Construction account.

#### NATIONAL PARK SERVICE

The NPS budget request is \$2.2 billion, a decrease of \$65.6 million below the 2005 enacted level. The request includes significant increases in the Operation of the National Park System account and the Construction account. The overall decrease for NPS reflects termination of the State LWCF grants and elimination of funding for statutory and contractual aid projects.

For the ONPS account, the 2006 budget request seeks \$1.7 billion. The budget request maintains the funding levels provided in the 2005 appropriation, which included a net increase of over \$60.0 million over 2004 in recurring park base funding. In addition, the operations account includes increases to fully fund fixed costs for the upcoming fiscal year, with the President's 2006 request for park base totaling \$1.069 billion. The ONPS account also includes an increase of \$3.4 million for repair and rehabilitation of historic buildings and an increase of \$5.4 million for information technology activities.

The Historic Preservation Fund request is \$66.2 million, including \$12.5 million for the Preserve America initiative discussed earlier and \$15.0 million for Save America's Treasures.

The National Recreation and Preservation appropriation is reduced by \$24.2 million. As discussed earlier, this reflects reductions in Statutory and Contractual Aid. Heritage areas are funded at \$5.0 million, a reduction of \$9.6 million from the 2005 enacted level. The Government Accountability Office reported last year that this program lacks a clear process for designating qualified sites and results-oriented performance goals. This funding reduction reflects the need for enactment of legislation to address these concerns and to encourage national heritage areas to become self-sufficient, as originally envisioned.

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The request for Federal land acquisition is \$52.9 million, a net decrease of \$2.3 million.

#### BUREAU OF INDIAN AFFAIRS

The 2006 BIA budget request is \$2.2 billion, a net decrease of \$108.2 million below the 2005 appropriation level.

The budget includes increases of \$2.0 million to pilot a leadership academy concept at four BIA schools and \$1.5 million for the National Indian Programs Training Center for BIA and OST employees. In addition, the budget includes an increase of \$800,000 for irrigation operations and maintenance for the Middle Rio Grande Conservancy District. An increase of \$1.2 million for the Modoc Point Irrigation District for mitigation costs associated with removal of the Chiloquin Dam in the Klamath Basin is requested, along with a reduction of \$2.1 million for the one-time costs associated with the removal of the dam.

The 2006 budget request also includes \$500,000 to expand the student loan repayment program, \$500,000 to establish an economic development commission, and \$320,000 to provide base funding for two new Tribes.

The budget includes \$37.5 million in program reductions due to the elimination of one-time projects, lack of performance accountability, duplication of other Federal or State programs, and the implementation of management efficiencies. In addition to those discussed earlier, these reductions include \$6.4 million for welfare assistance; \$1.2 million for community fire protection; \$431,000 for energy development grants; \$1.4 million for agency office administrative costs; \$2.0 million for water management and planning; \$2.4 million for water rights negotiations and litigation; and \$2.0 million for the endangered species program.

The budget proposes to reduce funding for Tribally Controlled Community Colleges to \$43.4 million, \$9.8 million below 2005, which funds the program at the 2005 request level.

The 2005 budget for land and water settlements is decreased by \$19.4 million reflecting a decrease in the amount required for the Zuni Pueblo water claims settlement in New Mexico and completion of the Cuba Lake land claims settlement with the Seneca Nation in New York. Funding is continued for the Colorado Ute settlement and Cherokee,

Choctaw, and Chickasaw settlement. The budget proposes to fund the Quinault settlement in FWS rather than BIA. There are no new settlements this year.

#### OFFICE OF THE SPECIAL TRUSTEE

The 2006 budget proposal is \$303.9 million, an increase of \$75.9 million, or 33 percent above the 2005 enacted level.

In addition to major funding increases for trust-related activities discussed earlier, the 2006 budget includes increases of \$1.0 million for additional field space and a net \$496,000 increase for information technology security and Enterprise Services Network costs. The budget also includes a \$6.7 million reduction reflecting completion of project task efforts, elimination of one-time costs, or management efficiency gains.

#### DEPARTMENTAL MANAGEMENT

The 2006 President's budget request for Departmental Management is \$330.0 million, including \$89.2 million for the Salaries and Expenses account, \$200.0 million for the Payments in Lieu of Taxes program, \$9.9 million for the Central Hazardous Materials Fund, \$7.4 million for appraisal services, and \$23.6 million for the Financial and Business Management System.

The 2006 request for Salaries and Expenses includes \$6.1 million for fixed costs and \$1.7 million for program increases to address important Department-wide investments, including: the Take Pride in America program, which promotes the conservation of public lands through volunteerism; cooperative conservation capacity building; improved law enforcement and security; and improved financial accountability.

As recommended in the Statement of the Managers accompanying the 2005 Interior Appropriations Act, the 2006 budget proposes to transfer funds from bureaus for the appraisal function in the DM budget. The appraisal function is funded in DM at \$7.4 million.

The 2006 budget proposes to transfer the responsibility for management of the Central Hazardous Materials Fund from BLM to the Office of the Secretary. The 2006 budget continues funding for the cleanup of Federal lands in this program at \$9.9 million, the same as the 2005 level.

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## OFFICE OF INSULAR AFFAIRS

The OIA 2006 budget is \$79.1 million in current funding, a \$1.9 million decrease from 2005 that mainly reflects the reduction of earmarked increases. Included in the 2006 budget proposal is a \$1.0 million increase to provide for a grant program that will fund water and wastewater projects in the U.S. Virgin Islands, Guam, the Northern Mariana Islands, and American Samoa. In addition, grants to the Territories have been increased by \$436,000. Permanent appropriations for OIA in 2006 total \$313.3 million, which includes \$198.3 million in Compact of Free Association payments and \$115.0 million in payments to Guam and the Virgin Islands.

## OFFICE OF THE SOLICITOR

The Solicitor's 2006 budget request is \$55.8 million, an increase of \$4.1 million over 2005. The increase includes program increases of \$1.2 million for information technology, \$520,000 for additional attorney positions, \$212,000 for employee support, \$200,000 for two additional positions for the Freedom of Information Act function, and \$1.9 million for fixed costs.

## OFFICE OF THE INSPECTOR GENERAL

The 2006 budget request for the Office of Inspector General is \$41.0 million, an increase of \$3.7 million over 2005. The budget proposes a \$2.2 million increase for investigations, Federal Information Security Management Act compliance, and a new Office of Evaluation and Management Services. This includes program increases of \$761,000 for audits, \$1.2 million for investigations, and \$213,000 for administrative services and information management. The request seeks \$1.6 million for fixed costs.

## NATURAL RESOURCE DAMAGE ASSESSMENT AND RESTORATION

The 2006 budget request is \$6.1 million, an increase of \$369,000 over 2005. The increase will accelerate the restoration of hundreds of acres of lands and resources injured by the release of hazardous substances or oil. By funding enhanced science support, the increase will improve and expedite design, implementation, and monitoring of restoration projects.

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## MANDATORY PROPOSALS

The 2006 budget is accompanied by several legislative proposals that affect receipt or spending levels in 2006 or in future years. These proposals will be transmitted separately from the budget for consideration by Congressional authorizing committees. The principal proposals include:

**ANWR** — The President's National Energy Policy aims to improve America's energy security by increasing domestic production of fossil fuels, stimulating the development of alternative energy sources, and promoting greater energy conservation. The coastal plain in Alaska is this Nation's single greatest onshore prospect for future oil and based on USGS estimates, could sustain daily production larger than the current daily onshore production in any other State. In support of the NEP, the 2006 budget assumes enactment of a legislative proposal to open the Section 1002 area of the coastal plain in the Arctic National Wildlife Refuge to oil and gas exploration and development. Further details of this proposal are included in the Resource Use chapter.

**Southern Nevada Public Lands Management Act** — The budget proposes to amend the Southern Nevada Public Land Management Act of 1998 to return 70 percent of the receipts from land sales under the Act to the Treasury, where receipts from land sales have historically been deposited. The Act, as amended, authorizes the disposal through sale of approximately 49,000 acres of Federal land in Clark County, Nevada. Five percent of the proceeds are provided to the State of Nevada for use in the State's general education program and ten percent are provided to the Southern Nevada Water Authority for water treatment and transmission facility infrastructure in Clark County. The remaining 85 percent of funds are deposited in a special account to acquire environmentally sensitive lands in Nevada; make capital improvements to areas administered by NPS, FWS, and BLM in Clark County; develop a multi-species habitat plan for Clark County; develop parks, trails and natural areas and implement other conservation initiatives in the county; and reimburse BLM for costs incurred in arranging sales and exchanges under the Act.

The receipts generated by these land sales have been nearly eight times higher than anyone antici-

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pated, with future revenue projections exceeding \$1 billion per year. When the Act was originally passed, proceeds from land sales under the bill were estimated at roughly \$70 million per year. Sale proceeds were \$535.0 million in 2004 and are estimated to be \$1.2 billion in 2005.

When the law was enacted, there was general agreement that a substantial portion of the revenues generated would be spent to acquire and conserve other lands around Nevada. However, as land sale receipts under the Act have increased in the last few years, the available funding has outpaced land acquisition needs. These funds are increasingly being dedicated to local projects—and many more projects than originally anticipated are being formulated without the accountability of further consideration by the Congress.

The budget proposes that, beginning in 2006, 70 percent of all revenues from these lands sales would be returned to the Treasury, with the percent of receipts deposited in the special account set at 15 percent. The amount of revenue currently provided to the State and to the water and airport authorities would not change. Total combined revenues retained in the State would total 30 percent, with revenues for 2006 for these purposes projected at \$292.3 million.

**BLM Range Improvement**—The budget for BLM proposes to discontinue mandatory appropriations from the Range Improvement Fund totaling \$10.0 million annually. Instead, revenues will be deposited to the Treasury. To address rangeland improvement needs, the discretionary budget request for BLM includes \$7.0 million in the maintenance program for range improvement projects and \$3.0 million as part of the Department's cooperative conservation request to focus on projects to improve rangeland health conditions, such as weed control, replacing funding provided through the Fund. Other operational increases for BLM, including \$7.0 million for sagebrush habitat and sage grouse protection and \$1.3 million for invasive weed control, will also support rangeland improvement goals.

## RECEIPTS

The Department projects that it will collect \$13.8 billion in receipts in 2006. This is an increase of \$913.0 million from estimated 2005 receipts, primarily due to increased OCS royalties.

The largest share of receipts collected by the Department of the Interior, \$7.1 billion, goes to the general fund of the Treasury.

## DEPARTMENT OF THE INTERIOR FACTS

**Land** — Interior manages 504 million acres or about one-fifth of the land area of the United States and 700 million acres of subsurface minerals. The Department has jurisdiction over an additional 1.76 billion acres of the Outer Continental Shelf.

**Parks, Refuges, Public Lands** — Interior manages 388 units of the national park system, 545 national wildlife refuges, 70 national fish hatcheries, as well as 13 national conservation areas and 15 national monuments in BLM's national landscape conservation system.

**People** — Interior has over 70,000 employees located in approximately 2,400 locations across the United States, Puerto Rico, U.S. Territories, and freely associated states.

**Volunteers** — Interior benefits from over 200,000 volunteers who provide almost nine million hours of service, valued at over \$153 million per year.

**Conservation** — Over 190,000 acres of abandoned coal mine sites have been reclaimed through the OSM's Abandoned Mine Lands program. The FWS acts to protect 1,823 endangered and threatened species; 1,264 are in the United States.

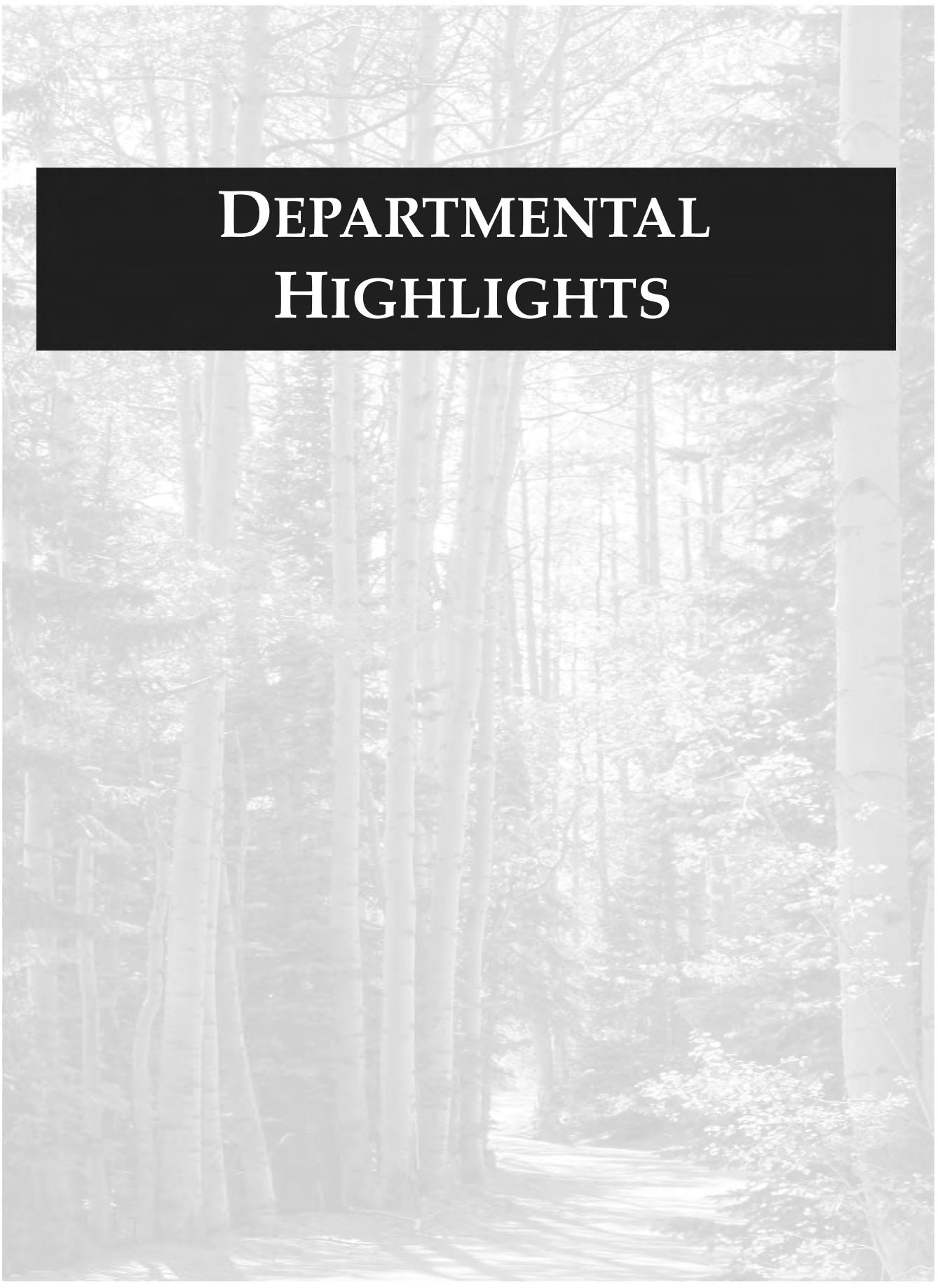
**Revenues** — Revenues collected annually vary from \$6 to \$14 billion, including revenues from energy, minerals, grazing, timber, lands sales, and other revenue producing activities.

**Water** — The Department is the largest supplier and manager of water in the 17 western States. Reclamation manages 471 dams and 348 reservoirs that deliver irrigation water to 31 million people and one out of every five western farmers irrigating 10 million acres of farmland.

**Energy** — Interior manages lands, subsurface rights, and offshore areas that produce approximately 30 percent of the Nation's energy, including 35 percent of natural gas, 35 percent of oil, 43 percent of coal, 17 percent of hydropower, and 50 percent of geothermal.

**Visitation** — Annually over 68 million visits are made to BLM public lands, 280 million visits to national park units, 39 million visits to national wildlife refuges, and 90 million visits to 308 Reclamation recreation sites.

**American Indians** — The Department maintains relationships with 562 federally-recognized Tribes in the contiguous 48 States and Alaska, and provides support to a service population of 1.5 million people. The BIA provides education services to nearly 48,000 students in 23 States attending 184 elementary and secondary schools and dormitories and supports 28 tribally controlled community colleges, universities, and post-secondary schools. There are 39 BIA owned detention centers and 201 BIA funded law enforcement programs.



# DEPARTMENTAL HIGHLIGHTS





# Resource Protection

*Environmental progress ultimately resides in the efforts of all of us to apply a caring hand to the landscape. It resides in our actions in our own backyards, at our places of work, on our farms and ranches, and in our communities.*

*Secretary Gale A. Norton*

The Department of the Interior's stewardship for one-fifth of the Nation's land creates an awesome responsibility to conserve, protect, and restore natural treasures. This responsibility extends beyond the well-known crown jewels of the National Park Service, such as Yellowstone National Park and Grand Canyon National Park, to include the newly established Glacial Ridge National Wildlife Refuge in Minnesota and the Bureau of Land Management's Red Rocks National Conservation Area in Nevada.

Interior's responsibility extends as well to the protection of the Nation's cultural heritage. Assets in the Department's charge range in size from small museum objects like the six-inch derringer used to assassinate President Lincoln to the 60-foot granite carvings at Mount Rushmore, and include such icons as the Statue of Liberty National Monument and the Wright Brothers National Memorial.

As the Nation's chief conservation agency, Interior is responsible for protecting thousands of plant and animal species, including more than 1,200 protected under the Endangered Species Act, ranging from plants such as the South Texas ambrosia and the Contra Costa wallflower to animals that include the albatross and the Florida panther. The Department also plays a major role in ensuring the continued viability of non-anadromous fisheries and of hundreds of species of waterfowl, songbirds, and shorebirds that migrate to or through the United States.

Interior's stewardship for natural and cultural resources transcends the boundaries of Federal lands

## RESOURCE PROTECTION MISSION

**Protect the Nation's natural, cultural, and heritage resources**

and regulatory programs. Resource stewardship depends increasingly on partnerships across a mosaic of land ownerships. The Department and its bureaus cannot manage Federal lands successfully without working with adjacent landowners, States, Tribes, and communities. Secretary Norton's goal is to empower Federal land managers to form partnerships with local communities to better care for the land and natural and cultural resources. By promoting these partnerships, Interior leverages Federal conservation dollars with non-Federal funds and taps into the ingenuity and local knowledge of the people who live and work on the land. Above all, Interior strengthens on-the-ground results that benefit the long-term conservation of resources on and off public lands.

The 2006 budget proposes \$2.6 billion for resource protection programs. The budget will:

- Support healthy and productive lands through cooperative conservation and private stewardship.
- Sustain biological communities by increasing focus on recovery of endangered, threatened, and at-risk species and by increasing inter-agency efforts to curtail harmful invasive species.

- Support the Administration's plan to revamp the Abandoned Mine Lands grant program to better address serious resource and life-threatening hazards resulting from abandoned mine lands.
- Fulfill the President's commitment to address the deferred maintenance backlog in parks.
- Help local communities find self-sustaining ways to manage historical properties and promote heritage tourism through Preserve America.



## COOPERATIVE CONSERVATION

Over the past four years, Interior has joined with citizen stewards to preserve open space, remove invasive species, restore habitat for wildlife, and protect endangered species. These partnerships are achieving substantial conservation benefits. The Department and its partners have restored millions of acres of habitat; removed harmful exotic species; replanted native grasses; improved riparian habitat along thousands of miles of streams; conserved limited water resources; and developed conservation plans for endangered species and their habitat. Cooperative conservation exemplifies a new environmentalism focused on performance, partnerships, innovation, and incentives to achieve the Nation's environmental goals.

By focusing conservation on community cooperation and voluntary actions, the Department is working with the American people to achieve healthy lands and thriving communities across the Nation. Citizen stewards are taking responsibility for the lands where they live, work, and play to restore and preserve the health of these lands, while maintaining working landscapes that support dynamic economies.

The Department's conservation partnerships are supported by a suite of cooperative grant and cost share programs. These programs emphasize local input and cooperative decisionmaking to

achieve land management and resource goals. The use of matching funds improves cooperative relationships with partners, engaging them in local conservation and increasing the likelihood of successful efforts. The programs build on established productive relationships with local communities and citizens, and foster innovative and collaborative solutions to overcome conflict and maintain healthy lands and waters.

From 2002 through 2005, Interior's conservation partnership programs have provided \$1.7 billion for conservation investments. The 2006 budget request includes \$381.3 million to support continued partnership success.

**Landowner Incentive Program** — Because more than half of all plant and animal species currently listed as endangered or threatened spend at least part of their life cycle on privately owned lands, Interior recognizes that success in conserving species depends on working cooperatively with landowners, communities, States, and Tribes to foster voluntary stewardship efforts on private land.

In 2002, the Department launched the Fish and Wildlife Service Landowner Incentive Program to provide incentives for landowners to conserve sensitive habitats, while allowing traditional land management practices such as farming or ranching to continue to maintain the fabric of local communities. Competitive matching grants are provided to States, Territories, and Tribes to create, supplement, or expand programs that protect and manage habitats on private lands, and benefit

## COOPERATIVE CONSERVATION EXECUTIVE ORDER

President Bush signed Executive Order 13352, Facilitation of Cooperative Conservation, on August 26, 2004. The order charges the Departments of the Interior, Agriculture, Commerce, and Defense, and the Environmental Protection Agency to work with each other, and with State, local, and tribal governments, private for-profit and nonprofit institutions, other nongovernmental entities, and individuals on programs, projects and activities relating to the use, enhancement, and enjoyment of natural resources and protection of the environment.

As agencies conduct activities, they are expected to encourage local participation in Federal decisionmaking processes and take appropriate account of and respect for the interests of persons with ownership or other legally recognized interests in land and other natural resources. A White House conference on cooperative conservation, under the leadership of the Chairman of the Council on Environmental Quality, is to be convened in 2005.

*Today, I have directed the Federal agencies that oversee environmental and natural resource policies and programs to promote cooperative conservation in full partnership with States, local governments, Tribes, and individuals. Local involvement is critical to ensuring successful, effective, and long-lasting conservation results. The executive order on cooperative conservation that I have signed today will help us continue to make sure that decisions in Washington, D.C., are well-informed by those closest to the land and their communities.*

*President George W. Bush, August 26, 2004*

listed species or species-at-risk. In 2004, grants were provided to 42 States and 23 Tribes.

In 2006, \$40.0 million in Landowner Incentive Program grants will help conserve and restore the habitat of endangered species and other at-risk plants and animals. This is an increase of \$18.3 million from 2005 and provides an important dimension of the Department's endangered species protection activities.

**Private Stewardship Grants** — The Private Stewardship grant program works directly with landowners to fund conservation actions for imperiled species on private lands. The program provides Federal grants on a competitive basis to individuals and groups engaged in voluntary conservation efforts on private lands that benefit imperiled species, including federally listed endangered or threatened species as well as proposed, candidate, and other at-risk species. The 2006 budget request

The Eastern Band of Cherokee Indians of North Carolina will use its \$200,000 Tribal Landowner Incentive Program grant in 2005 to undertake a multi-year, comprehensive survey of plants and aquatic and terrestrial fauna found on the reservation. This will allow the Tribe to develop a new natural heritage database to benefit species of concern. The Tribe will be able to use this new information to develop resource management plans for individual species-at-risk, to conduct environmentally sensitive land use practices, and to plan future commercial and residential development.



Matching a \$100,000 Private Stewardship grant award, the Hawaiian Silversword Foundation completed construction of a 5.5 mile fence that encloses 3,000 acres of some of the best native forest habitat remaining in the Puu Lalaau Unit of the Keauhou Ranch. Construction of fences to exclude alien animals is often the necessary first step in the protection and recovery of native Hawaiian species and ecosystems. In addition, they have reduced the number of ungulates within the unit by 90 percent and removed all feral pigs and several mouflon sheep. Efforts at weed control, reforestation, and rare species out-plantings are still on-going.



proposes \$10.0 million for these grants, a \$3.1 million increase over the 2005 level. Landowners and partner groups may submit proposals directly to FWS for funding to support those efforts that complement regulatory activities under the Endangered Species Act.

**Challenge Cost Share Programs** — The Department emphasizes local input and cooperative decisionmaking to achieve land management and resource goals through a diverse set of cost share conservation programs in BLM, FWS, and NPS. For 2006, the budget proposes \$44.8 million for these programs. These cost share programs better enable agencies to work together and with adjacent communities, landowners, and citizens to achieve common conservation goals.

A total of \$21.5 million is proposed for resource restoration challenge cost share projects to fund dynamic partnerships with individuals, Tribes, State and local governments, non-profit organizations, and others to carry out projects that restore damaged habitats and lands and achieve the conservation goals of the land management agencies. Projects require a one-to-one match or better, thereby at least doubling the impact of Federal dollars. The cost share program, as with Interior's other cooperative conservation grants, is a linchpin of a new environmentalism of performance, partnerships, innovation, and incentives.

In 2004, the conservation challenge cost share program funded 633 projects with more than 1,913 partners in 44 States. Matching funds supported 60 percent of the cost of these projects. A total of

\$21.0 million in Federal dollars were matched by \$31.6 million in non-Federal dollars.

The resource restoration challenge cost share program is complemented by a \$23.3 million request for the traditional challenge cost share programs that focus on cultural, recreation, and resource protection projects.

**Partners for Fish and Wildlife** — The Partners for Fish and Wildlife program gives landowners tools to manage private lands that benefit wildlife while maintaining productive activities. The program recognizes that, with over 60 percent of our Nation's land in private ownership, the health of many populations depends on habitat found on private lands. State resource agencies work closely with FWS to establish priorities and identify focus areas. Over the last three years, the program has undertaken thousands of restoration projects and has restored 130,796 acres of wetlands and 605,170 acres of prairie, grasslands, and uplands.

The 2006 request is \$52.2 million, an increase of \$4.2 million or nine percent over the 2005 level. These funds will allow FWS to expand its established relationships with communities and over 33,100 landowners, providing financial and technical assistance and restoration expertise to an additional 2,600 private landowners, Tribes, and other conservation programs.

Within the total, \$7.5 million is proposed for the Upper Klamath River Basin restoration initiative, a cooperative effort including Federal, State and local agencies, tribal governments, public

## CHALLENGE COST SHARE PROJECTS

**Florida** — At the Juniper Inlet Area of Critical Environmental Concern, BLM and the Palm Beach County Department of Environmental Resources Management partnered to restore wildlife habitat through prescribed burns; removal of invasive exotic plants such as rosary pea, Brazilian pepper, Australian pine, and natal grass; and construction and restoration of wetlands. Imperiled Florida sand pine and oak scrub communities are being treated to improve breeding habitat for the federally listed threatened Florida scrub jay, the State-listed gopher tortoise, and other State-listed plant species. The BLM and local community have removed thousands of non-native trees and planted thousands of native plants in this environmentally sensitive area. The \$37,740 Federal portion of the project was matched on a one-to-one basis, resulting in a \$75,480 program.

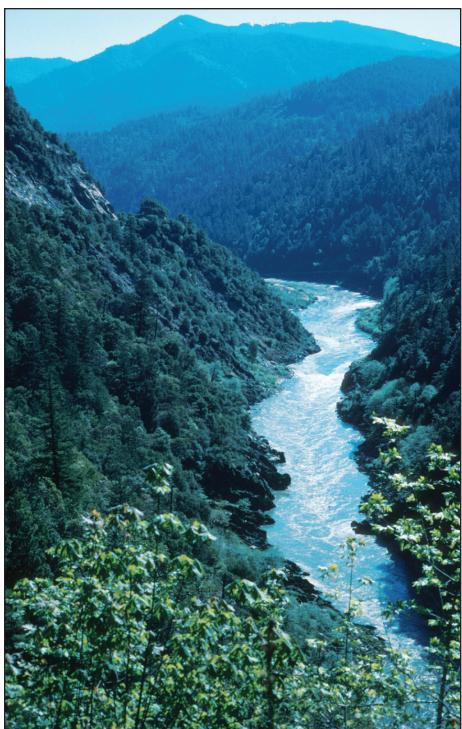
**New Mexico** — Riparian habitat dominated by native vegetation is being restored along the Rio Grande River in central New Mexico as a result of a large-scale cooperative project at the arid riparian and wetland land management and research demonstration area of Bosque del Apache National Wildlife Refuge. Project partners are the Range Improvement Task Force of New Mexico State University, Friends of the Bosque del Apache NWR, and FWS. The project demonstrates innovative salt cedar control and riparian restoration techniques on 1,100 acres of the Bosque del Apache NWR. A strong educational component results in the sharing of knowledge on control and restoration methodology with other Federal, State, local, and non-governmental land management entities, as well as private landowners in similar arid areas of the southwestern United States. Partners and volunteers aided in developing 300 acres as seasonal wetlands, restoring 300 acres using controlled flooding for natural regeneration, and replanting 500 acres with native plant communities. The Federal investment of \$300,000 was matched for a total of \$600,000.



**Alaska** — The NPS and commercial wildlife viewing partners developed and implemented self-regulating strategies to mitigate the trend of declining marine populations in the Kenai Fjords. The Kenai Fjords, a part of the rugged Alaska marine coast, comprises six frigid, deep-water fjords surrounded on three sides by steep mountains and large tidewater glaciers. This park is home to harbor seals, sea otter, endangered Steller sea lions, and many species of sea birds. These animals share the resources of the fertile sub-arctic fjord waters for shelter, foraging, breeding, pupping, and resting. The once robust populations of marine species that populated the fjords have declined markedly over the past 20 years due to natural ecosystem changes and increased human-induced activities. The NPS partnered with Alaska SeaLife Center, a tribal corporation, the University of Alaska at Fairbanks, Prince William Sound Regional Citizens' Advisory Council, as well as nine other partners. The Federal funds of \$166,000 were matched by 12 partners for a total of \$443,800.

## UPPER KLAMATH BASIN RESTORATION INITIATIVE

The Upper Klamath River Basin restoration initiative is a cooperative effort among Federal, State and local agencies, tribal governments, public organizations, and individuals to restore the Klamath Basin ecosystem and economic vitality. Examples of projects to be completed include:



### **Wetland restoration along Ball Bay on Upper Klamath Lake for shortnose and Lost River suckers**

— The FWS will partner with the Klamath Basin Ecosystem Foundation to restore 350 acres of lakeshore wetlands for Lost River and shortnose suckers and other wetland species. Wetlands in Ball Bay were drained for pasture land over 100 years ago and, upon restoration, will be reconnected to a stream to provide fish passage to spawning habitat.

**Cherry Creek stream channel restoration for bull trout, redband trout, yellow rails, and the Oregon spotted frog** — In the Cherry Creek watershed on the west side of Upper Klamath Lake, FWS will partner with the local watershed council and the Natural Resources Conservation Service to restore stream channel and riparian habitat for bull trout, redband trout, Oregon spotted frogs, and yellow rails. Habitat connectivity has been lost among the spring-fed stream west of Upper Klamath Lake, Oregon. Restoring the connectivity among the local streams will greatly assist seasonal movement of salmonids among watersheds.

organizations, and individuals to restore the Klamath Basin ecosystem and its economic vitality to the area in Oregon and California. The funds will be used specifically to restore fish and wildlife habitat on private lands.

**FWS Coastal Program** — The FWS Coastal program coordinates conservation efforts in bays, estuaries, and watersheds around the U.S. coastline. Through this program, FWS and its partners work to conserve fish and wildlife and their habitats to support healthy coastal ecosystems by:

- Providing assessment and planning tools to identify priority habitats that should be protected and restored.
- Conserving coastal habitats through voluntary conservation easements and other local land protection actions.
- Restoring degraded coastal wetland,

upland, and stream habitats by working with partners to implement on-the-ground projects.

- Focusing resources on coastal conservation, including education through conservation alliances that leverage resources and multiply the impact of the taxpayers' dollar.

The 2006 budget includes \$14.9 million for the Coastal program, a programmatic increase of \$3.0 million above 2005. With the proposed increase, the program will expand its work with coastal communities focusing on high priority coastal habitat issues such as protecting pristine habitats in the Gulf of Mexico; controlling invasive species in California wetlands and Puget Sound; controlling nutria in the Chesapeake Bay watershed; and promoting the restoration and enhancement of native coastal habitats to support important fisheries in States such as Florida and Hawaii.



**FWS Migratory Bird Joint Ventures** — The 2006 budget includes \$12.9 million, a \$2.6 million program increase over the 2005 level for the Joint Ventures program. This program, originally formed to implement the North American Waterfowl Management Plan, has broadened to include other conservation partnership initiatives, such as Partners in Flight, the U.S. Shorebird Conservation Plan, and the North American Waterbird Conservation Plan. The 2006 budget will allow FWS to develop six new joint ventures.

**Take Pride in America** — Funding for Take Pride in America, an initiative that encourages and recognizes outstanding volunteer efforts, is funded at \$1.0 million. A more extensive discussion on the Take Pride in America initiative is located in the Recreation chapter of this document.

**Cooperative Conservation Grant Programs** — The 2006 budget provides additional funding for FWS grant programs that benefit wildlife conservation. A total of \$204.0 million is requested for FWS State and Tribal Wildlife grants, the North American Wetlands Conservation Fund, and the Cooperative Endangered Species Conservation Fund.

## SUSTAINING BIOLOGICAL COMMUNITIES

**Endangered Species** — Along with State, tribal, local, and other public and private conservationists, the Department shares the goal of protecting endangered, threatened, and at-risk species. The 2006 budget includes \$270.1 million for endangered species programs, an increase of \$17.9 million compared to 2005. This includes \$140.1 million within the FWS Resource Management account, \$80.0 million within the Cooperative Endangered

Species Conservation Fund, and \$50.0 million in the Landowner Incentive and Private Stewardship grant programs. The Department's other cooperative conservation programs complement these efforts to protect endangered species by enhancing wetlands, riparian, upland, and other habitat across the Nation on public and private lands.

Within the Resource Management account, the 2006 budget includes a \$1.9 million increase for general program activities in the ESA recovery program. The recovery program supports the ultimate goals of FWS: to recover listed species to levels where protection under the Endangered Species Act is no longer required because species have reached a secure, self-sustaining level.

Reversing species declines requires extensive coordination, planning, and extraordinary knowledge of the species. The proposed 2006 recovery increase will improve capability to stabilize endangered species, to delist or downlist species that have met their recovery goals, complete recovery plans for species that lack plans, conduct five-year reviews of all listed species, and increase work with willing partners to recover listed species.

With the proposed recovery budget increase, FWS will continue its preventing extinction, showing success initiative begun in 2004. This successful effort focuses recovery efforts in areas with the greatest potential; on species that are in immediate danger of becoming extinct; and on species very close to being downlisted or delisted. The requested increase will also improve the FWS ability to provide partners with leadership and technical assistance that is necessary for successful species recovery.

The budget also proposes a \$1.9 million program increase for the listing program. This increase will



## BUFFALO CREEK, PENNSYLVANIA

Dairy and beef cattle have traditionally grazed along Buffalo Creek in Washington County, Pennsylvania. Through the FWS Partners for Fish and Wildlife program, farmers are now engaged in riparian restoration. They are keeping the cattle out of streams, allowing the trees and brush to regenerate, and protecting the banks from erosion. The new vegetation also provides shade for the stream that lowers its temperature, making it more hospitable for fish and other fauna and flora. Stream bank shrubs also are hosts to ground-nesting birds whose habitats had previously vanished.

What benefits do the farmers derive from this partnership? Moving the cattle out of the stream and fencing off the stream has allowed farmers to practice rotation grazing and better utilize their fields. These actions have also reduced the bacterial count in the stream. That means healthier cows – less waterborne hoof disease, for example. FWS agents are working with farmers to plant native warm season grasses in less productive fields. The fields planted in native warm season grasses expand forage for cows and provide habitat for wildlife.

At Buffalo Creek, cooperation and partnering are achieving healthy lands and water, thriving communities, and dynamic economies.



*I have lost several calves over the years. Since we fenced, I haven't lost one.*

**Ralph Nevela, Farmer, Washington County, Pennsylvania**

*There's a different tune in the music around, Mother Nature has returned to us.*

**Ron Ristimacki, Farmer, Washington County, Pennsylvania**

address litigation-driven workloads and would also provide additional funding to address other high-priority actions that are not the subject of ongoing litigation.

The 2006 budget funds the FWS Cooperative Endangered Species Conservation Fund at \$80.0 million, a \$462,000 decrease from the 2005 enacted level. This program provides grants to States and Territories to participate in an array of voluntary conservation projects for candidate, proposed, and listed species. Projects may include habitat restora-

tion, development of regional habitat conservation plans, as well as land acquisition associated with habitat conservation plans and species recovery. Because most listed species depend on habitat found on State and private lands, this program is critical to the Department's partnership approach to conservation.

**Mitigation of Invasive Species** — Since 2004, Interior has presented a unified invasive species performance-based crosscut budget, in conjunction with other Federal agencies, through the National

Invasive Species Council. In coordination with the NISC, the Department has focused its past budget increases on species-specific government-wide priorities, such as tamarisk, the brown tree snake, and aquatic invasives.

In 2006, Interior will coordinate invasive species activities based on geo-regional areas in response to bureau concerns that the species-specific focus areas do not always accurately portray the invasives work done on any given piece of land. For example, when BLM is controlling and managing weeds on public lands in the West, BLM will identify the target species, such as tamarisk or leafy spurge, while also taking into consideration the other associated weed species in the area. The goal is to treat the target species, as well as the other invasive and noxious weeds in the same area.

In 2006, Interior will focus invasives work on three priority geo-regional areas that also contain an abundance of invasives targeted by NISC priorities. The bureaus submitted coordinated, joint budget requests for each of these areas, developed in each case by an inter-bureau team.

Increases totaling \$2.3 million are proposed for the three areas. Base funding will also be redirected to the coordinated efforts.

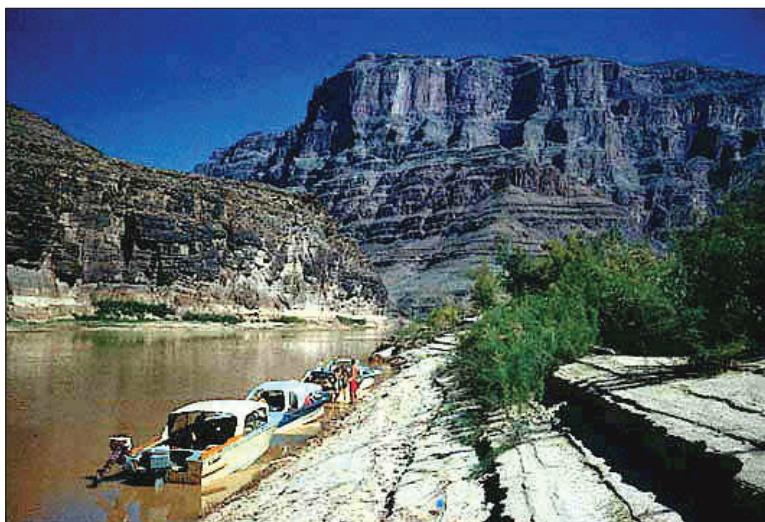
In South Florida, a \$1.0 million increase for FWS would focus on invasives efforts at the Loxahatchee NWR. This funding will be used to treat 2,500 acres of dense lygodium on tree islands and allow re-treatment of 14,000 acres infested with melaleuca, lygodium, Brazilian pepper, and Australian pine on other lands. A \$100,000 increase in the U.S. Geological Survey will provide research to assist in the detection, control, and eventual eradication of the Brazilian pepper tree.

On the Northern Great Plains, BLM, with a \$500,000 budget increase, will treat and control 7,500 acres of leafy spurge and other invasives, inventory and monitor 209,000 acres for weeds, map 20,000 acres

for invasive species. One thousand acres would be restored.

In the Rio-Grande River Basin, 4,915 acres of tamarisk and other invasives will be treated and controlled, 1,000 acres will be inventoried for weeds, research will be conducted on revegetation, and one decision support system will be developed. A \$500,000 increase for BLM is proposed to support these efforts. With a \$200,000 proposed budget increase, USGS will conduct research on revegetation and will provide technical and scientific support in the development of the BLM decision support system.

In addition, the FWS budget proposes \$1.0 million for tamarisk eradication in the endangered species recovery program. This exotic plant is considered a threat to some endangered and threatened species, such as the southwestern willow flycatcher. Tamarisk removal is identified as a key recovery action that is needed for many listed species that occur in wetland areas throughout the arid southwest. For example, the recovery plan for the Pecos sunflower requires the management and control of Tamarisk.



**Natural Resource Challenge**—Programs funded through the Natural Resource Challenge provide NPS managers with the information needed to understand and measure the condition of park resources, including watersheds, landscapes, marine resources, and biological communities. The information guides park management actions to improve and sustain the health of the Nation's park resources.

Two key components of the Natural Resource Challenge are vital signs and water quality monitoring. Vital signs monitoring tracks measurable features of the environment that indicate the health of park ecosystems, as well as the health of individual plant and animal species. Water quality monitor-

ing tracks water conditions to preserve pristine waters and improve impaired waters in parks and surrounding areas. The NPS has developed a system of 32 multi-park, multi-agency vital signs and water quality monitoring networks sharing similar geographical and natural resource characteristics to complete this task.

As of 2005, all 32 water quality networks have been funded. Twenty-four of the 32 networks encompassing 207 national parks have been funded for vital signs monitoring. The 2006 request provides \$4.9 million for the inventorying and monitoring program, through an increase of \$1.0 million and \$3.9 million redirected from the natural resource preservation program. The additional funding will allow the inventory and monitoring program to identify the vital signs for natural resource monitoring in 100 percent of 270 parks by the end of 2008. This will complete funding for the 32 planned monitoring networks



measures, allowing the program to evaluate the cost-effectiveness and consequences of work planning decisions in terms of performance impacts.

The program recently underwent an evaluation using the Program Assessment Rating Tool, which identified the need for improved performance measures and other management improvements.

Using the assessment, managers have improved performance measures and program planning.

NPS VITAL SIGNS MONITORING			
	2004 Estimate	2005 Estimate	2006 Request
Monitoring Networks			
Funded.....	22	24	32
Parks Funded.....	185	207	270
Parks with Identified Vital Signs.....	176	216	240
Parks Monitoring Vital Signs.....	10	101	153

**Migratory Birds**—The FWS is the principal Federal agency charged with protecting and enhancing the populations and habitat of more than 900 species of birds that spend all or part of their lives in the United States. In 2006, FWS proposes a \$3.1 million program increase for migratory bird conservation and monitoring.

The Migratory Bird Management program has undertaken a concerted effort to institute management improvements and orient activities based on programmatic goals. Based on this effort, the program has implemented a project-based budget system to plan and track spending by project. Each project can be directly linked to specific goals and

The requested increase will allow FWS to conduct surveys, regulatory activities, and other migratory bird management activities to meet its performance targets. The FWS expects this funding increase will allow it to maintain a focus on 444 bird species of management concern and implement focused management actions to improve the status of five targeted bird populations. The FWS will also address the problems caused by eight species of overabundant migratory birds, continue cooperative management activities of these eight species, maintain work on the development of reliable population models, and increase understanding of the status and trends of important migratory bird populations.

## LANDSCAPE AND WATERSHED PROTECTION

**Conserving Sage-Grouse and Sagebrush Habitat**—The FWS has completed its status review of the sage-grouse in response to several petitions to list the sage-grouse. The FWS has determined that the species does not warrant protection under the Endangered Species Act at this time. However,

continued, vigorous efforts are essential to prevent further deterioration of sage-grouse populations and sagebrush habitat that could trigger reconsideration for listing under ESA.

Protecting and conserving sage-grouse and sagebrush habitat continues to be a Departmental priority in 2006. Listing of the sage-grouse could have devastating economic impacts, as it could severely restrict BLM's ability to authorize energy development, mining, grazing, and even recreation activities over a wide swath of public lands. The 2006 BLM budget includes an increase of \$7.0 million to strengthen and expand efforts to conserve and restore sagebrush habitat. Of this amount, \$3.4 million will be funded by the Challenge Cost Share program, which will allow BLM to leverage resources by working with States, Tribes, and others.



Sage-grouse occupy about 50 million acres of BLM land. The immediate goal is to inventory, evaluate, and prioritize those areas with the greatest potential and need for restoration. The BLM has collaborated extensively with Federal, State, local, and private entities to develop a long-term conservation and restoration strategy to improve and coordinate mapping, inventories, vegetative treatments, and other ongoing restoration and related activities. The 2006 funding increase proposed for BLM will support accelerated implementation of the strategy. Implementation of the strategy will also benefit a multitude of other species dependent on sagebrush habitat.

**Natural Resource Damage Assessment and Restoration** — The Department's Natural Resource Damage Assessment and Restoration program seeks recoveries from responsible parties to restore natural resources damaged by the releases of hazardous substances or oil. Damage assessments provide the basis for determining the restoration needs that address the loss in value and use of these resources.

*The sage-grouse strategy encourages efforts such as the work of the Shoshone Basin local working group in Idaho to manage BLM grazing allotments for both livestock forage and seasonal sage-grouse habitat requirements. The group's plan has maintained existing grazing levels while the acreage rated as "excellent" for sage-grouse has increased from two percent of the allotment to 24 percent. The commitment of local participants was key to success in the Shoshone Basin. Local users brought important knowledge of range conditions and history along with a willingness to include private lands associated with the allotment in the plan.*

*Bureau of Land Management Director Kathleen Clarke*

*At the same time the status review clearly illustrates the need for continued efforts to conserve sage-grouse and sagebrush habitat on a long-term basis. I commend Federal and State agencies as well as the local working groups for their current efforts to maintain or improve sagebrush habitat and encourage them to continue to move forward with the new plans to develop and implement conservation strategies throughout the grouse's range.*

*Fish and Wildlife Service Director Steve Williams*

The annual NRDA budget of \$5.7 million in 2005 will leverage over \$300 million that has already been or soon will be recovered from responsible parties. The 2006 budget requests an increase of \$369,000 to accelerate the restoration of hundreds of acres of injured trust resources. The budget increase will fund enhanced science support from the USGS that will influence successful trustee bureau restoration activities by improving the science of design, implementation, and monitoring of habitat or contaminant type-specific restoration projects. Additionally, a strategic realignment of the FWS contaminants program will refocus efforts on restoration activities, emphasizing cooperation with NRDA.



## RECLAIMING ABANDONED COAL MINES

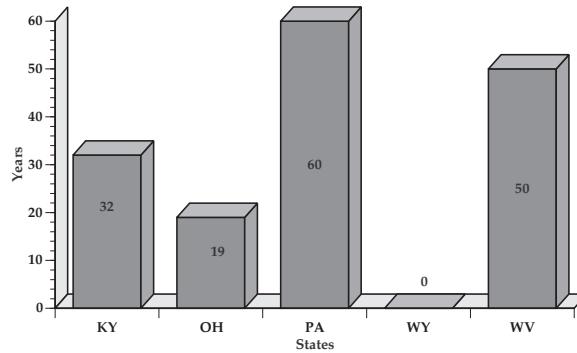
**Abandoned Mine Lands**—More than 3.5 million Americans live within one mile from dangerous abandoned coal mines. Nearly 1.2 million people live less than half a mile from these unsafe sites. These are not merely ugly landscapes that need to be cleaned up; these are serious life and resource threatening hazards. Although the Department has successfully worked in partnership with States, local governments, and private, nonprofit groups to reclaim over 225,000 acres of damaged and dangerous land, the outlook for cleanup of these areas is poor, as the majority of funds are directed towards States with few or no priority areas. Under a continuation of the current law it would take, for example, 60 years to reclaim all of the dangerous abandoned coal mines in Pennsylvania. However, OSM's authority to collect AML fees expires on June 30, 2005.

In addition to the pending expiration of the fee collection authority, another problem is a fundamental imbalance between the goals established by the Surface Mining Control and Reclamation Act of 1977 and the way the funds are required to be allocated under the Act. The statutory allocation formula results in a progressive distribution of resources away from the most serious AML problems. The majority of AML funding is distributed on the basis of current coal production. In the early years, 75 percent of the AML fee income was in the East where 94 percent of the problems existed, and 25 percent of the income was in the West where six percent of the AML problems existed. Over the past 28 years, however, fee income has shifted away from the areas with high historic production and into areas where few or no AML problems remain. Today, some States have completed reclamation on all of the abandoned coalmine sites or are working on low priority sites, while others are still decades away from completing the most critical high priority sites.

In addition to the allocation issue, the certified States and Tribes have an estimated unappropriated balance of \$580 million in their State and tribal share AML accounts, which they maintain should be available as provided in the 1977 Act.

The Administration proposes reauthorization of OSM's AML fee collection authority, and reform of the AML program to expedite the elimination of high priority health and safety abandoned coal mines, as well as provide for the expedited payment of unappropriated balances to certified States and Tribes. Any acceptable proposal must fit within the President's mandatory and discretionary spending limits.

YEARS NECESSARY TO RECLAIM HIGH-PRIORITY AML SITES



The 2006 budget supports the Administration's vision for reauthorizing the AML program. It provides \$147.5 million in AML grants to non-certified States, and another \$58.0 million in AML grants to certified States and Tribes. The proposed budget

improve the technical innovation and professional services program.

The 2006 budget proposes a \$1.0 million applied sciences initiative. The research funded within this initiative would focus on technical issues such as mountaintop mining, coal bed methane, loss of streams to underground mining, and acid mine drainage. The proposed funding would also be used to preserve underground mine maps and to provide them to the interested public in an



will increase the percentage of appropriated AML funds for reclamation of high priority abandoned coal mines sites and provide for the repayment of State shares to certified States and Tribes.



**OSM Coal Mining Management**—The 2006 Office of Surface Mining budget includes an increase of \$2.5 million for technical initiatives, which will allow OSM to ensure that coal mine surface activities are operated in a manner that protects citizens and the environment during mining. These initiatives will also assist OSM in protecting resources through abandoned mine reclamation. The funding will assist in the creation of underground mine maps, expand OSM's national technical training program, fund applied science initiatives, and

electronic format. Accurate and readily available underground mine maps are essential resources for preventing repetition of incidents such as the Martin County Coal Company impoundment failure in Kentucky. The OSM and others would use these maps to enhance the reclamation of AML sites, minimize the offsite impacts of active mining operations, help to minimize the risk of injury to the public and the environment from abandoned underground coalmines, and improve service to OSM customers, partners, and the public.

AML ACCOMPLISHMENTS		
	Current	2006 Proposed
Acres Reclaimed .....	6,900	8,200
People Removed from Risk Annually .....	76,000	140,000
Years to Eliminate Existing Health and Safety problems ....	47	25
Corrects Allocation Problems....	No	Yes

The OSM is requesting \$1.0 million for its technical innovation and professional services program. Funding for this program would enhance mobile computing, e-training, and remote sensing capabilities and provide specialized hardware and software licenses. These initiatives would support the inspectors on the ground and allow them to use technology more efficiently. This would

save personnel hours and allow the time spent on-site to be more productive. Ultimately these initiatives would assist in the consistent application of the Surface Mining Control and Reclamation Act nationwide.

The 2006 budget request includes a \$500,000 increase for OSM's national technical training program. This funding would significantly increase the number of students trained in order to better meet demand. This funding would also allow OSM to develop new courses to meet new technical needs, and to update digital presentation technology and course offerings. The OSM would train an additional 250 students each year, and would be able to offer new courses in geology, vegetation, hydrology, and engineering to address changes in technology, and changes in program policy due to regulatory changes.

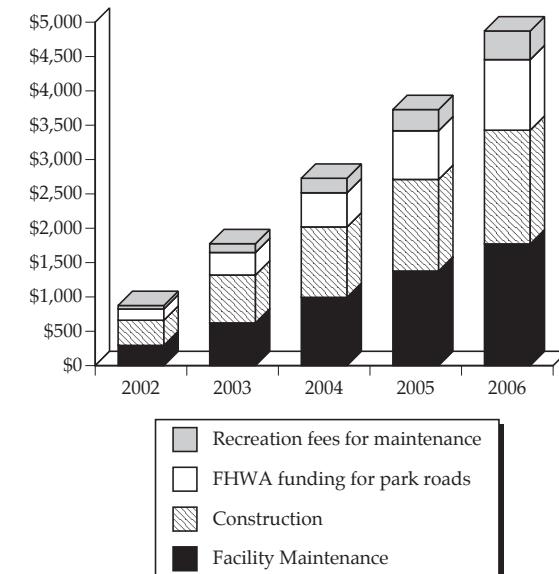
## MAINTAINING PARKS AND PRESERVING HERITAGE

The NPS manages and preserves many of the Nation's cultural, historic, and natural treasures, ranging from the inspiring grandeur of the Grand Canyon to the symbols of America's hope represented by the Liberty Bell and other national icons. As steward of these unique places, NPS has developed a state-of-the-art system to assess and prioritize maintenance needs.

**Park Maintenance Backlog** — Broken irrigation systems, poorly maintained trails, antiquated sanitation facilities, roofs in ill-repair, and rutted and poorly surfaced roads have kept national parks from realizing their full potential. In a campaign speech in 2000, then-Governor George W. Bush highlighted that "good roads, safe trails, clean lakes and streams, and well-kept campgrounds are basic needs that the Federal government must meet for the public to continue to enjoy our national parks."

Operating and maintaining in good condition nearly 7,500 facilities for park visitors presents a perennial challenge. Over many decades, a backlog of maintenance needs had accumulated in the national parks. This backlog has had an effect on the visitor experience and the

ACHIEVING THE PRESIDENT'S COMMITMENT  
CUMULATIVE DEFERRED MAINTENACE FUNDING  
2002-2006



public's ability to appreciate and enjoy the natural, historic, and cultural wonders of national parks.

President Bush committed to reverse this trend, proposing to invest \$4.9 billion over five years to address the maintenance backlog. Between 2002 and 2005, more than \$3.7 billion has been provided to address deferred maintenance needs. The 2006 budget request meets the President's funding commitment, reaching the promised five-year total of \$4.9 billion.

The 2006 budget proposes \$716.6 million for construction and park facility maintenance, an increase of \$27.1 million. Including funds in the proposed reauthorization of the Transportation Equity



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Act for the 21<sup>st</sup> Century, total deferred maintenance funding will exceed \$1.1 billion in 2006.

The investment in park facilities is garnering results. Through 2004, NPS has undertaken over 4,000 infrastructure and facility improvement projects nationwide. As a result, visitors to the parks are seeing improved trails, more accessible campgrounds, rehabilitated visitor centers, better roads, stabilized historic structures, and reduced environmental threats through better sewer, water, and drinking systems.

An essential component of the President's approach is a vigorous effort to bring state-of-the-art facilities management practices to the parks. A comprehensive asset management strategy has enabled NPS, for the first time in its history, to inventory its assets and measure the condition of its facilities. This information has established a Service-wide baseline for facility conditions and will be used to monitor and prioritize ongoing maintenance needs. With the funds expected through 2009, park assets will be improved to acceptable conditions overall, based on the Facility Condition Index.

The 2006 budget increase includes \$22.2 million for NPS construction and \$3.4 million for the repair and rehabilitation program. The latter increase will be used for high-priority historic buildings and other historic structures in several small historical parks that have a comprehensive preventive maintenance program and have robust asset inventories. Support for these efforts will demonstrate that a small amount of funding can improve the average condition of all of a park's historic structures from fair or poor to good over a two-year period.

**Park Roads and Parkways Program** — Recreation travel accounts for 20 percent of travel in the United States. Park roads are a vital part of America's transportation network, providing economic opportunity and growth in rural regions of the country. In addition to park access, roads to accommodate motor tourism have created viable gateway communities en route to parks. In some areas, entire economies are based on park road access. Examples include communities near Yellowstone, Glacier, and Great Smoky Mountains National Parks and the Blue Ridge Parkway.

Park roads show the effects of time and use. Funds provided through the Transportation Equity Act slowed down deterioration of park roads and began to stabilize the road system for the first time since 1987. Nonetheless, in 2001, approximately 35 percent of park roads were in good condition.

The President's proposal for reauthorization of TEA-21 calls for a six-year investment of \$1.89



billion in park roads. The majority of the funds, or 90 percent, would go to the improvement of roads. The proposal would also complete the NPS parkway systems and continue exploration of alternative transportation systems to help ease congestion in some parks.

A Federal Highway Administration road system analysis based on condition data collected between 1997 and 2001 has shown that a road investment of the magnitude proposed by the President would bring over 80 percent of park roads into good or excellent condition and would leave virtually no road in poor condition.

**Preserving Our Cultural Landscapes** — America's cultural resources — buildings, landscapes, archeological sites, ethnographic resources, objects and documents, structures and districts — embody a rich heritage of human experiences and cultural identities that spans at least 12,000 years and includes the living traditions of today's Native Americans and peoples whose roots lie in Africa, Oceania, Europe, and Asia. They tell a compelling story of our Nation, States, and communities and help us understand how we got where we are today. America's cultural resources also provide evidence about important historical trends and events, reflect people's everyday lives and significant accomplishments, and illustrate distinctive architectural, landscape, and engineering designs.

Americans are also choosing to reconnect with our Nation's rich heritage as they travel. Visiting historic and cultural sites is one of the most popular tourist activities today. In 2002, 81 percent of adults in the United States included at least one cultural, historic, or heritage activity in their vacation plans. Currently, 26 States have some form of heritage tourism program, a strong contributor of economic development. The NPS has assumed a national leadership role in the field of cultural landscapes, offering several programs that address the identification, evaluation, protection, interpretation and treatment of cultural landscapes for our national parks and other historic properties.

Through its Preserve America initiative, the Administration is encouraging community efforts to preserve our cultural and natural heritage. The initiative links to and complements both the Save America's Treasures grant program, which helps communities restore significant historic structures and resources, and the National Heritage Area program through which communities highlight and manage notable historic places of national significance. The 2006 budget proposes a total of \$32.5 million for locally focused historic preservation and heritage tourism.

A key part of this effort is a budget request of \$12.5 million for Preserve America grants to support communities that demonstrate sustainable uses of historic and cultural sites and develop economic and educational opportunities related to heritage tourism. Preserve America grants will help communities develop resource management strategies and business practices for continued preservation of heritage assets. Such activities include planning and feasibility studies, heritage education materials, heritage tourism business cases, and feasibility initiatives. Grants will be awarded competitively, subject to a 50/50 match, as a start-up investment to help eligible communities deliver a specific product or accomplish a specific result. The NPS will administer the program in partnership with the Advisory Council on Historic Preservation.

To date, 194 communities in 32 States have been designated as Preserve America communities. In

May 2004, the President and First Lady presented the first four Preserve America Presidential Awards to: the Blue Ridge Heritage Initiative, located in North Carolina, Tennessee, Virginia, and Georgia; Lackawanna Heritage Valley, located in northeast Pennsylvania; Historic Beaumont Hotel, Ouray, Colorado; and Historic Raven Natural Resources Learning Center, Kootenai National Forest, Libby, Montana.

The National Heritage Partnership program offers an innovative method for citizens, in partnership with local, State, and Federal governments, non-profit organizations, and the private sector, to work across jurisdictional and demographic boundaries by identifying multiple cultural landscapes that are linked thematically, historically, or geographically. Constituents utilize shared concerns about these landscapes to collaboratively focus on maintaining the distinct qualities that integrate the region and make it special.

Congress has designated 27 national heritage areas across the country in which conservation, interpretation, and heritage tourism activities are planned and implemented through partnerships among Federal, State and local governments, residents, and the private sector. These areas are fully managed by the private nonprofit groups or by the States. The NPS provides technical and financial assistance to these areas, including planning and interpretative expertise, and connects regions with other Federal agencies to fully leverage private funding. The 2006 budget request includes \$5.0 million for heritage areas.

The NPS also administers a number of successful historic preservation programs to preserve irreplaceable monuments and treasures of American heritage for future generations. Save America's Treasures grants, intended to commemorate the Millennium, are available for preservation and conservation work on nationally significant intellectual and cultural artifacts and nationally significant



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historic structures and sites. Intellectual and cultural artifacts include collections, documents, and works of art. Historic structures and sites include historic districts, buildings, and objects.

The budget includes \$15.0 million for Save America's Treasures. Grants under this program are awarded through a competitive process and require a dollar-for-dollar non-Federal match, which can be cash, donated services, or use of equipment.

## SOUTH FLORIDA'S EVERGLADES

The South Florida Everglades is a complex ecosystem which hosts a wide array of upland, lowland, and marine habitats that support thousands of species of plants and animals, including numerous threatened and endangered species. Since the early 1900s, flood control, water supply systems, agriculture, and development have disrupted the region's natural hydrological patterns. Half of the original Everglades ecosystem has been drained.

The Department remains committed to maintaining and improving its stewardship responsibilities in the Everglades. The 2006 budget request in support of Everglades restoration totals \$83.5 million. With these funds, NPS, FWS, BIA, and USGS will continue efforts to preserve and improve natural habitat; protect and recover endangered and threatened species; support tribal partners; and obtain the best available science to guide decisionmaking.

The Interior Department will also continue its work with the Corps of Engineers and the State of Florida to complete the modified water deliveries project. Land acquisition for the 8.5 square mile area will be completed by the end of 2005; and efforts are underway to complete the construction features for the 8.5 square mile area and the seepage and conveyance features, and to begin improvements to the Tamiami Trail that will result in more natural flows of water between water conservation areas and Everglades National Park. Once completed, this project will provide much needed flexibility to water managers and serve as a strong foundation for future benefits under the Comprehensive Everglades Restoration Plan.

Within the 2006 request for NPS construction is \$25.0 million for the modified water deliveries project, a key to restoration of natural flows in the Everglades. Under a new agreement between Interior and the Corps of Engineers, the cost to complete the project will be shared by NPS and the Corps. The 2006 budget for the Corps includes \$35.0 million for the Mod Water project. Over the period 2007 to 2009, the Corps will contribute an estimated additional \$89.0 million and the NPS an additional \$42.0 million. The 2006 NPS contribution consists of \$8.0 million in new funding and \$17.0 million redirected from unobligated balances for Everglades land acquisition that are not currently needed for high-priority acquisitions.





# Resource Use

*America will be more prosperous and more secure when we are less dependent on foreign sources of energy. Reliable and affordable energy is critical to our economic security, our national security, and our homeland security.*

*President George W. Bush, November 18, 2003*

Predictable, readily available supplies of energy at reasonable costs underlie both community well being and economic action. Energy heats and cools our homes. It fuels our ambulances, fire trucks, ships, and airplanes. The American economy needs energy to power the companies that create jobs and provide products and services that enhance our quality of life. Energy resources also sustain the agricultural economy that feeds the Nation and the world.

The Department of the Interior plays a vital role in producing and maintaining America's energy supply. Approximately one-third of domestic natural gas and oil, over 40 percent of the Nation's coal, one-half of geothermal, 17 percent of hydropower, and approximately ten percent of wind power are produced in areas managed by Interior. Overall, 30 percent of the Nation's domestic energy supply is produced on Interior-managed lands and waters.

The Department contributes to the implementation of the National Energy Policy. Interior's efforts that include both increasing renewable energy production on Federal land and producing traditional sources of energy in an environmentally responsible way. Interior works with interested persons in a careful and open process to meet the Nation's energy needs while protecting sensitive natural and cultural resources for current and future generations.

Interior plays a similarly critical role in addressing the water needs of the West. The Bureau of Reclamation manages 471 dams and 348 reservoirs that provide drinking water to over 31 million people and irrigate about 10 million acres of irrigated land.

In 2006, the Interior budget will build on past invest-

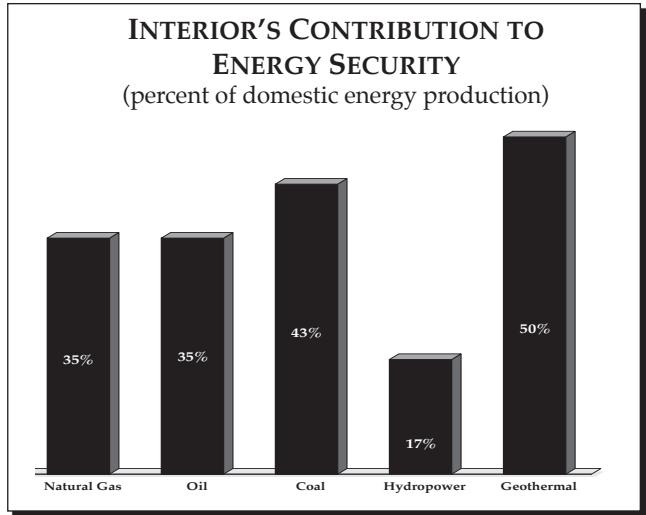
## RESOURCE USE MISSION

**Manage natural resources to promote responsible use and sustain a dynamic economy**

ments, expedite permitting and rights-of-way processing, enhance the effectiveness and efficiency of water use in the West, increase environmental inspections, remove unnecessary barriers to renewable and non-renewable energy production, and enhance access to Outer Continental Shelf resources further offshore. In addition, the Department will continue to implement the President's Healthy Forests Initiative, focusing its forestry and rangeland programs on improved timber management, as well as forest and rangeland health.

Interior's 2006 budget for resource use programs includes increased investments that will:

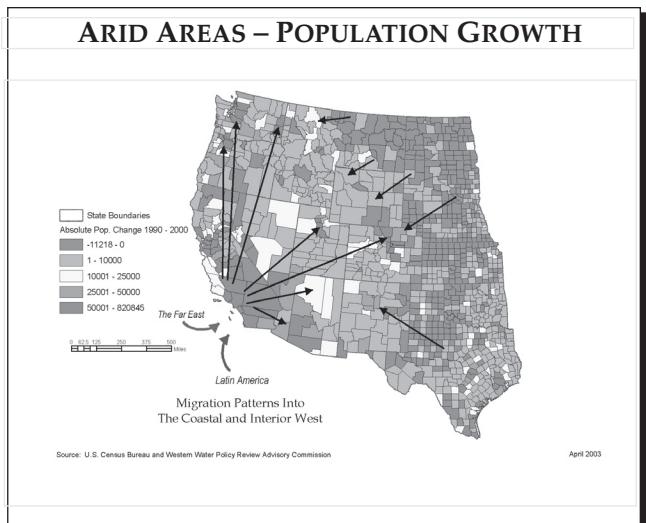
- Through Water 2025, strengthen the efficient and effective use of water resources while reducing conflicts surrounding scarce water resources.
- Reduce the backlog of oil and gas applications for permits to drill.
- Improve the Nation's energy security by implementing the President's National Energy Policy.
- Improve MMS oil and gas evaluations.
- Improve forest and rangeland health and strengthen timber management.



## WATER DELIVERY

The Bureau of Reclamation, the largest supplier and manager of water in 17 western States, delivers water to customers in compliance with Federal and State water law. The amount of water available depends on the naturally occurring yearly water supply, water management practices, and variable weather patterns. Through improved water management and operations, use of the available water supply can be optimized to improve the distribution of water and enhance the effectiveness and efficiency of water delivery systems. Improvements to delivery systems, and other technological improvements, can enhance the efficiency and productivity of these water resource projects.

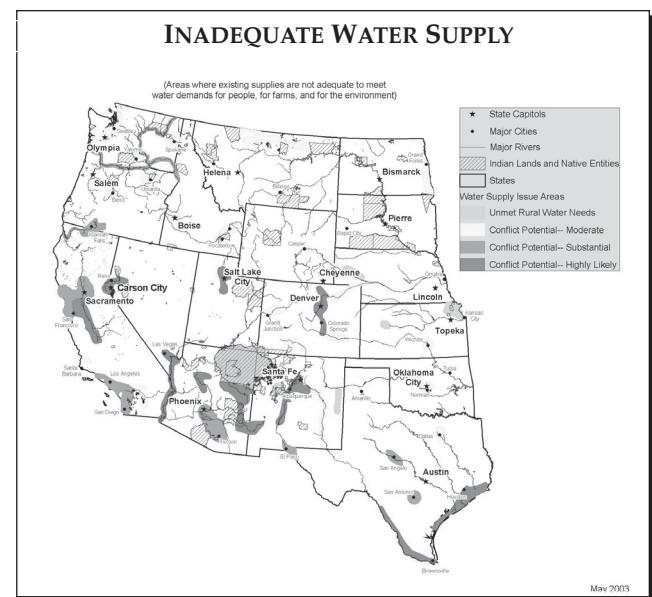
Meeting water needs is one of the most pressing resource challenges in some of the fastest growing areas of the Nation. In the West, demands for



water for cities, Tribes, farms, and the environment exceed the available supply in many basins even under normal water supply conditions, as currently managed. Severe drought conditions over the past several years in the West have amplified water supply and management challenges. Without improved water management, conflicts and crises surrounding water supplies could become more common.

## WATER 2025 – PREVENTING CRISES AND CONFLICT IN THE WEST

The overarching goal of Water 2025 is to meet the challenge of reducing crises and conflict over water. Many water delivery facilities in the West are more than 60 years old. Modernization of existing infrastructure and increasing the efficiency of existing water uses by ten percent over ten years



could significantly improve water delivery systems at a reasonable cost and provide additional water supplies to meet the needs of cities, Tribes, farms, and the environment.

To minimize or avoid these water crises and enhance water delivery, Water 2025 advances three basic concepts:

- The implementation of water monitoring, measuring, conservation, and management technologies will provide

*This program promotes conservation.... It expands the use of voluntary water markets ... provides advanced technology, like automated pumping and canal controls. It funds research into new technologies to better deliver water and conserve resources.... It is a comprehensive strategy.*

*President George W. Bush, August 12, 2004*

*Watersheds in the West are experiencing a worsening of chronic water supply shortages because of growing populations and heightened competition for a finite supply. These conservation grants support realistic and cooperative local approaches to help prevent crises and conflict over our limited water resources in these regions.*

*Secretary Gale Norton, June 27, 2004*

some of the most cost-effective gains in the ability to meet the demand for water in the future.

- The attainment of economic, social, and environmental goals relating to water supply requires long-term stability that is more likely to be provided by collaborative solutions than by litigation.
- Market-based tools that rely on willing buyer/willing seller transactions are far more likely to provide stability and avoid conflict than are regulatory or litigation-based alternatives for meeting unmet and emerging needs for water.

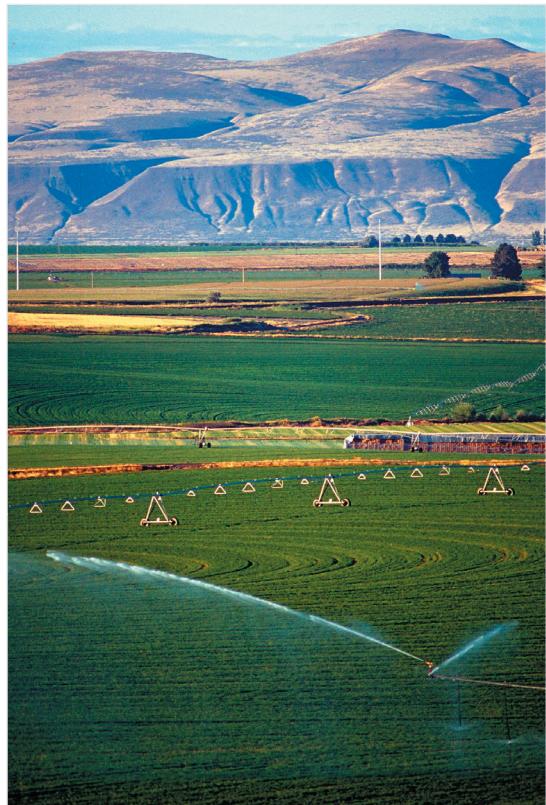
Solutions developed through Water 2025 must be based on and recognize interstate compacts and U.S. Supreme Court decrees that allocate water among States, water rights established under State and Federal law, tribal water rights, and contracts for the use of water.

The 2006 budget requests \$30.0 million for Water 2025, an increase of \$10.5 million above the 2005 enacted level. The request includes both system optimization reviews and a challenge grant program. Implementation of Water 2025's system optimization reviews, the challenge grant program, and improved technology will be less expensive than other more costly alternatives.

**System Optimization Reviews**—In some areas of the West, it will be necessary to develop new surface water supplies and infrastructure. The fiscal, legal, and political hurdles to the development of significant new supplies, however, make it imperative that existing water supply infrastructure be fully utilized within the framework of existing treaties, interstate compacts, water rights, and contracts. With a \$3.0 million request in 2006, Reclamation

will work with willing States, Tribes, irrigation and water districts, and other local entities to assess the potential for water management improvements in a given basin or district. Consistent with Water 2025 reviews, activities will focus on geographic areas where the competing demands for water by people and the environment indicate that water-related crises have the highest likelihood of occurring over the next 20 years.

Working together with its partners, Reclamation will develop a plan of action for each basin or district. These plans will include recommendations and performance measures for efficiency and conservation projects having the greatest impact in improving water management, such as creat-



## CHALLENGE GRANT PROGRAM

In 2004, Reclamation formed a technical panel of subject matter experts to evaluate the Water 2025 challenge grant proposals based upon the following criteria: Improvements to conservation and efficiency and the creation of markets; demonstrated results; project financing and cost sharing; and relevance to Water 2025 goals. Following are a few examples of the 2004 grants awarded:

**Arizona** — The Yuma County Water Users Association will upgrade a supervisory control and data acquisition system, implement a new water tracking and measurement system, and reconstruct key diversion structures along the main canal that will facilitate remote control of water flows. This modernization proposal will reduce diversions from the Colorado River and provide an overall savings in water diversions of 12,000-20,000 acre feet per year. The total project cost is \$616,000, with a Water 2025 contribution of \$246,000.

**California** — The Stevenson Water District, Merced, will replace 23,067 feet of open canals with pipe to: control high water tables fed by seepage; conserve water; improve delivery flexibility; and reduce operational spillage. The project will annually save approximately 1,155 acre feet, which may be marketed to the San Luis National Wildlife Refuge. The total project cost is \$1.6 million, with a Water 2025 contribution of \$300,000.

**Nevada** — The Truckee Carson Irrigation District and City of Fernly will improve the control of the Gilpin spill structure by automating control gate changes through installation of remotely operated gates and telemetry at one location on the Truckee canal. The saved water – approximately 3,000 acre feet per year – will flow downstream and enhance instream flows or be stored upstream to meet future needs. The total project cost is \$300,000, with a Water 2025 contribution of \$150,000.

**New Mexico** — The San Juan River Dineh Water Users Association, Inc., Shiprock, will convert three lateral ditches to underground pipelines, potentially saving 5,600 acre feet each year for water users on the main canal. This work will assist in equally distributing water to all areas served by the association. The total project cost is \$751,000, with a Water 2025 contribution of \$200,000.

ing water banks, facilitating water transfers, and modernizing canals.

**Challenge Grant Program** — The 2006 budget proposes \$25.0 million, an increase of \$14.7 million, for the Water 2025 challenge grant program started in 2004 and continued in 2005. The response to the challenge grant program during its initial implementation in 2004 demonstrates a widespread eagerness across the West to work collaboratively to improve the way water is managed. Reclamation received more than 100 applications in 2004. The applicants proposed \$98 million in water system improvements and offered \$73 million in non-Federal funding. With the \$4.0 million in Federal funding available, Reclamation was able to fund 19 projects totaling \$40.0 million. The Administration will submit legislation to Congress establishing permanent authority for this program.

In 2006, Reclamation will continue to seek applications from irrigation and water districts offering to leverage money and resources. Emphasis will continue to be placed on proposals that:

- Develop water accounts that could provide a mechanism for willing buyers to purchase water from willing sellers in order to meet important ecological restoration goals or other specific goals and objectives that would avoid or reduce water conflicts.
- Retrofit and modernize existing facilities to improve water management. Examples of the use of new technologies aimed at conserving water include, automating control structures with associated telemetry equipment for off-site control and installing water management programs



such as supervisory control and data acquisition systems to monitor and operate river and canal facilities remotely.

- Line canals or convert open canals to pipeline, thereby eliminating water losses due to evaporation and seepage and increasing available water supplies.
- Install new measuring devices that will allow water supplies to be more accurately measured and accounted for, giving water managers more control over water diversions and deliveries, resulting in more efficient water use.
- Provide irrigators and other water users the opportunity to rent, lease, or sell water for agricultural or urban uses with the water right remaining in agriculture, in accordance with State laws.

In considering applications, Reclamation will give additional credit for applications that use recommendations from system optimization reviews.

**Improved Technology** — Wastewater and waters impaired by salt or other components can be made usable by desalination or other technology such as water reuse and recycling. Improved and less expensive methods of water treatment could lead to the development of new water supplies to rural communities and Indian reservations. Through Water 2025, Reclamation can facilitate research that targets management issues and reduces the high costs that slow adoption of water treatment technologies, especially desalination.

The 2006 budget includes \$2.0 million for desalina-

tion technology proposals that will reduce conflict over water supplies in the West. Proposals will be selected through the current competitive process used in the desalination and water purification research program. Participants will include companies, universities, organizations and non-Federal agencies and will require a non-Federal cost share between 50 and 75 percent.



## CALIFORNIA BAY-DELTA RESTORATION

Critical to California's economy, the Sacramento-San Joaquin Delta serves as the hub of the State's water management system. The Sacramento and San Joaquin Rivers, which flow into the San Francisco Bay, provide potable water for two-thirds of California's homes and businesses, and irrigate more than seven million acres of farmland on which 45 percent of the Nation's fruits and vegetables are grown. The Bay-Delta system also provides habitat for 750 plant and animal species, some listed as threatened or endangered.

Established in May 1995, CALFED is a comprehensive long-term solution to the complex and interrelated problems in the Bay-Delta, the watersheds that feed it, and the areas served by waters diverted out of it. A consortium of Federal and State agencies fund and participate in the CALFED program, focusing on the health of the ecosystem and improving water management and supplies. In addition, CALFED addresses the issues of water supply reliability, aging levees, and threatened water quality.

*As the largest and most comprehensive water-management plan in the Nation, the CALFED program is a national model of collaborative resource management.*

Secretary Gail A. Norton, October 26, 2004



After preparation of environmental documentation, the CALFED parties, including Interior, signed a record of decision formally approving a long-term programmatic plan for restoring ecosystem values and improving water management in the solution area. Approximately \$68 million was specifically provided to Reclamation in 2001 through 2005 within various authorized programs of the Central Valley Project for activities that support the goals of the CALFED program. Beyond these funds, Reclamation and the other Federal agencies participating in the CALFED program fund numerous other programs and activities that are closely aligned with the CALFED program.

On October 25, 2004, the President signed into law the Calfed Bay-Delta Authorization Act. The legislation provides a six-year Federal authorization to implement the collaborative plan for restoration and enhancement of the San Francisco Bay/Sacramento-San Joaquin Delta estuary.

The 2006 budget includes \$35.0 million for Reclamation to implement CALFED activities. Funding is requested for the following areas:

**Environmental Water Account** — The request includes \$10.0 million for the cooperative management program. This program provides additional protection to the fish of the Bay-Delta estuary through environmentally beneficial changes in the operations of the State Water Project and the Central Valley Project, at no cost to the projects' water users.

**Storage Program** — The request includes \$10.0 million to continue feasibility investigations and environmental documentation on four proposed CALFED storage projects: Shasta enlargement; Upper San Joaquin River basin storage; north of Delta off-stream storage (Sites reservoir); and Los Vaqueros. Planning studies will focus on formulation of alternatives and cost-benefit analysis. Based on expected funding levels, plan formulation reports are scheduled for completion in 2006.

**Conveyance** — The budget includes \$3.0 million for: feasibility studies for new fish screen and intake facilities and the Tracy pumping plant; increased capacity of the intertie between the State Water Project's aqueduct and the CVP's Delta Mendota canal; an improvement project for the San Luis reservoir; and projects to improve water quality in the Delta and reduce salinity and improve dissolved oxygen in the San Joaquin River.



**Water Use Efficiency** — The 2006 request includes \$4.0 million to continue to meet the water use efficiency objectives contained in the CALFED record of decision. Funds will be provided to implement cost-sharing projects proposed by water districts, irrigation districts, resource conservation districts, and urban water agencies with a relationship to Federal water projects located in the CALFED solution area.

**Ecosystem Restoration** — The budget includes \$4.0 million to continue the implementation of projects

*We face an immediate challenge of how to produce the energy our economy needs to remain strong. We can address that challenge now by carefully integrating energy and environmental policy, or we can wait until the next energy crisis is upon us and our choices are limited.*

*Assistant Secretary Rebecca Watson, August 4, 2004*

that improve and increase aquatic and terrestrial habitats and improve ecological functions in the Bay-Delta ecosystem to support sustainable populations of diverse and valuable plant and animal species. Projects could include habitat restoration, fish screen improvements, control of invasive species, and water quality improvement projects that contribute to the objectives of the CALFED ecosystem restoration program.

The 2006 budget also requests \$4.0 million for Reclamation's administration of the storage, conveyance, water use efficiency, environmental water account, ecosystem restoration, science, and water transfer programs.

## ENERGY AND MINERALS

There is an integral relationship among resource development, environmental protection, and revenue return. In 2006 Interior will continue to meet the rising demand for oil, gas, and coal by providing appropriate access for development, reducing cycle times of operating plan reviews and permitting processes, and by reducing the backlog of rights-of-way and corridor requests. Interior will also continue its commitment to conservation by mitigating the impacts of development and limiting the environmental footprint of energy development. Lastly, the Department will work towards optimizing lease management through better management of the royalty and rent system, increase the market accuracy of appraisals, and optimize competition for leases, tracts, and production verification.

**Improved Energy Management**—The Bureau of Land Management plays a key role in advancing the goals of the National Energy Policy. On-shore Federal lands are a critical source of domestic energy supplies. The BLM is committed to encouraging and facilitating increased ac-

cess to these vital resources, consistent with land use plans and BLM multiple use mandates.

The BLM has made significant progress in expediting and facilitating access to energy resources. Recent funding increases and management improvements instituted by BLM have greatly increased the capacity to process applications for permits to drill. The BLM has established quality assurance teams to review field office applications for permits to drill processes to identify opportunities for employing best practices. Utilizing cost and demand data, BLM has shifted resources to field offices where they will have the greatest impact. The Bureau is evaluating additional ideas, including streamlining the NEPA process, pursuing e-Permitting, and sharing personnel across field office boundaries and programs.

In 2006, BLM will continue to identify opportunities for improving program management to be as timely and responsive as possible to industry demand. One such opportunity is through the effective use of cost recovery policies to better ensure that sufficient budgetary resources are available to meet workload requirements. A PART review of BLM's energy and minerals program, prepared in connection with the 2005 budget, recommended implementing increased cost recoveries to improve the responsiveness of the program to industry demand by insulating it from the impacts of the budget process.

The 2006 budget will increase the BLM energy and minerals program from an estimated 2005 funding level of \$108.5 million in appropriations and user fees to a 2006 funding level of approximately

BLM NATIONAL ENERGY POLICY			
	2004	2005	2006
Geothermal Drilling Permits			
Processed	17	25	33
APDs Processed	7,351	7,400	7,900
Oil and Gas Inspections	18,934	18,700	18,700

\$117.6 million. This net increase will cover pay and other fixed cost increases and provide new resources to enable BLM to accelerate the processing time for APDs and reduce the APD backlog. The BLM will be able to improve the timelines of APD processing and reduce the backlog of APDs pending over 60 days from 1,681 to 120 by the end of 2006.

<b>OIL AND GAS APDs</b>	2003 Actual	2004 Actual	2005 Estimate	2006 Estimate
Pending APDs less than 60 days old at start of year .....	240	460	654	787
Pending APDs greater than 60 days old at start of year .....	3,080	2,780	2,214	1,681
Total Pending APDs / start of year ..	3,320	3,240	2,868	2,468
New APDs Received.....	5,063	6,979	7,000	6,700
Processed APDs.....	5,447	7,351	7,400	7,900
Pending APDs less than 60 days old at end of year .....	460	654	787	1,148
Pending APDs greater than 60 days old at end of year .....	2,780	2,214	1,681	120
Total Pending APDs / end of year ...	3,240	2,868	2,468	1,268

### In 2006, BLM

plans to process an additional 500 APDs over 2005. These additional APDs are expected to result in an additional 450 wells drilled. The associated production resulting from this investment is 804,000 barrels of oil and 47.6 million MCF of gas over five years. Based on the assumed price of \$40 per barrel of oil and \$4 per MCF of gas, the estimated value of this production is \$222.8 million.

The 2006 increase in the energy and minerals program will be funded by adoption of regulations to increase current user fees, primarily for leasing-related actions and drilling permits, to better reflect the costs of the services provided. Estimated user fee receipts for the program in 2006 will be \$10.8 million.

**MMS Cost Recovery**—For 2006 the Minerals Management Service is projecting additional fee revenues generated from a new permit processing fee, rental rate adjustments due to inflation, and new cost recovery fees that build on fees proposed in 2005. These increased fees would support Administration policy to charge for government services where the direct beneficiary can be identified. The fees would bolster revenue and capacity for permitting in MMS, as MMS incurs greater expenses from overseeing operations further offshore.

The permit processing fee would cover costs associated with the submittal of permitting and plan requests. It is currently estimated that the aggregate net revenue generated from permit / plan processing fees would be approximately \$13.5 million in 2006. This would recover all MMS costs associated with processing permits, including indirect and overhead charges. The MMS proposes pursuing a separate cost recovery rule for OCS permit activities. These fees represent a fraction of total private investment in offshore energy development.

An additional \$4.5 million in fees would be generated from adjustments in rental rates due to inflation and \$1.0 million in cost recovery fees



## ARCTIC NATIONAL WILDLIFE REFUGE

The President's National Energy Policy aims to improve America's energy security by increasing domestic production of fossil fuels, stimulating the development of alternative energy sources, and promoting greater energy conservation. Government and private sector investments in renewable energy to address technological and economic impediments may enhance the role of these sources in the Nation's energy supplies. Nevertheless, America will continue to depend in large measure on fossil fuel. The National Energy Policy recognizes this role by proposing to open the Section 1002 area of the coastal plain in the Arctic National Wildlife Refuge to oil and gas exploration and development. The coastal plain is this Nation's single greatest onshore prospect for future oil. The U.S. Geological Survey estimates that the Federal portion of the 1002 area contains a mean expected value of 7.7 billion barrels of technically recoverable oil with a 95 percent probability of 4.2 billion barrels and a five percent probability of 11.8 billion barrels. The potential daily production from the 1002 area alone is larger than the current daily onshore oil production of any other State. The 2006 President's budget assumes enactment of legislation to open ANWR to exploration and development with the first lease sale held in 2007 expecting to generate an estimated \$2.4 billion from bonus bids revenues



that build off of fees proposed in 2005. The rental rates, which have not changed since 1994, would be adjusted for inflation from 1995 to 2005, with annual inflation adjustments made thereafter.

In total, in 2006 MMS proposes to collect \$18.0 million in new user fees, in addition to \$1.0 million from previously proposed fees. These fees would be added to offsetting collections, for a total of \$122.7 million, allowing the reduction of annual appropriations by \$19.0 million.

**Deepwater Helicopters** — The 2006 budget proposes a \$1.6 million MMS deepwater helicopter initiative. The MMS contracts helicopters to transport inspectors to offshore oil and gas facilities to conduct mandatory inspections. These inspections ensure safety, compliance, and environmental protection. The MMS contract leases 14 single-engine

helicopters that are suitable to reach 7,500 leases, 4,000 producing facilities, and approximately 900 drilling sites in the Gulf of Mexico annually. In 2003, MMS conducted 22,305 inspections in the Gulf of Mexico.

Energy firms continue to move further offshore into ultra-deepwater, defined as 7,500 feet of water depth or greater, to conduct operations. In the last three years, companies have made seven new major discoveries in ultra-deepwater areas. Accompanying these discoveries have come newly filed plans for exploration that will soon require drilling of appraisal, delineation, and development wells in proximity to the discovery, all of which require MMS inspections. This trend is expected to continue. In the 2003 lease sales for the Central and Western Gulf, MMS leased 148 new blocks in water depths of 5,000 feet or greater.



Typically, ultra-deepwater areas are 100 to 200 miles offshore. Single-engine helicopters, such as those currently contracted by MMS, have a range of 125 miles from base that allows for enough fuel to return to the shoreline with an acceptable safety margin without refueling. The more frequent and longer flying distances to ultra-deepwater facilities will increase fuel costs and may require larger helicopters to reach isolated locations. An additional \$1.6 million will allow MMS to cover these costs and ensure that MMS can safely meet its regulatory inspection goals of conducting an annual inspection for each production facility and a monthly inspection for each drilling unit on the OCS.

**MMS Interpretive Technologies**—The 2006 budget for MMS includes a \$1.0 million interpretive technologies proposal. Increased drilling and development in ultra-deepwater and increased resource potential for deepwater production drive the near-term needs for MMS in the Gulf of Mexico. Energy firms are increasingly pursuing oil and gas in ultra-deepwater as is reflected by the seven ultra-deepwater discoveries in the last three years. Production from deep wells on existing leases in the shallow water Gulf is another frontier that the energy industry is pursuing to help meet the near and mid-term energy needs of the Nation.

To meet the increasing challenges for exploring and developing oil and gas in these frontier areas, the private sector has developed new technologies. These major technological advancements provide images of complex structures and are used by geoscientists to more accurately estimate the resources within a reservoir and compare changes over time. All critical MMS resource evaluation

decisions, including resource assessments, reserve estimates, fair market value determinations, field determinations, and new producible lease determinations, rely on industry data obtained from these cutting edge technologies.

Within this initiative, MMS is proposing to spend \$500,000 to focus on interpretive technologies in order to maintain technological parity with industry and ensure the accuracy and improved quality of interpretation, which creates better evaluations and estimates. The long-term benefit is that the Treasury and the public will receive fair market value for the resources over which MMS holds stewardship. Informed decisions on the sale and development of offshore leases will also allow increased domestic oil and gas production.

The MMS will focus on maintaining the quality of geophysical data; effectively managing the large volume of interpretive data that needs to be processed, distributed, and archived; maintaining the quality of MMS staff through technical training; and developing programs with universities and colleges to ensure future employees can work effectively with advanced technology.



The MMS also proposes \$500,000 to build a new MONTCAR tract evaluation model, which will be used to develop the principal input for fair market value estimates on which MMS bid acceptance/rejection decisions are based. The current MONTCAR model was developed in 1973 and has become increasingly difficult to modify. The MONTCAR model has evolved to the point where it would be easier and less costly to develop a new

model rather than converting or further modifying the current one. The end result will be quicker revisions, better documentation, and a decreased learning curve for new staff and contractors.

## FOREST MANAGEMENT

Maintaining and improving the health of forests on public lands and meeting timber production goals will continue to be priorities of BLM in 2006. As it has in the last two budget cycles, the BLM budget contains increases and redirections in its forest management programs to improve forest health and increase timber production. The 2006 budget will enable BLM to accelerate its progress in addressing the backlog of forest and woodland acres in need of ecological restoration work. Overstocked forest stands across large contiguous areas lead to significantly increased forest insect and disease activity, catastrophic wildfire conditions resulting in degraded ecosystems both before and after fire, threats to communities, reduced water availability, and loss of critical wildlife habitat. The BLM will also pursue expanded use of its stewardship contracting authority to achieve greater productivity and cost-efficiency in its forest management programs. See the Serving Communities chapter of this document for a discussion of the President's Healthy Forests Initiative.

A \$1.5 million increase in the Public Domain Forestry Management program will be used to continue to rebuild program capacity, including the capacity for expanded use of stewardship contracting, and support on-the-ground projects. The increased funding will enable BLM to offer an additional four million board feet of timber for sale, a ten percent increase; inventory an additional 30,000 acres, a ten percent increase; and restore an additional 2,100 acres through a combination of sales and development.

In the Oregon and California Grant Lands account, the budget proposes to more aggressively and effectively address programmatic priorities, including offering the full allowable sale quantity under the Northwest Forest Plan and supporting the Northwest Forest Plan's requirement that late successional reserves be managed to stimulate old growth characteristics that serve as vital habitat to key species, including the northern spotted owl.



A \$2.9 million increase in the O&C forest management program will support the thinning of 1,300 acres of late-succession reserves to achieve old growth characteristics. This thinning will generate an additional 19.5 million board feet of wood products. The increase supports the settlement agreement in the lawsuit *American Forest Resource Council v. Clarke*.

To support the allowable sale quantity under the settlement agreement, BLM must revise six resource management plans in western Oregon. The 2006 request includes an increase of \$1.5 million to continue this planning effort, which was initiated with the additional funds provided in 2005. The revised plans will also assist BLM in implementing the National Fire Plan's goals with respect to wildland-urban interface fuels reduction.

TOTAL BLM FOREST MANAGEMENT			
	2004	2005	2006
Timber Produced (mmBF)	186.5	223.0	262.0
Forest/Woodland Acres Restored	10,305	10,100	10,880
Forest/Woodland Acres Inventoried	404,209	317,500	349,000

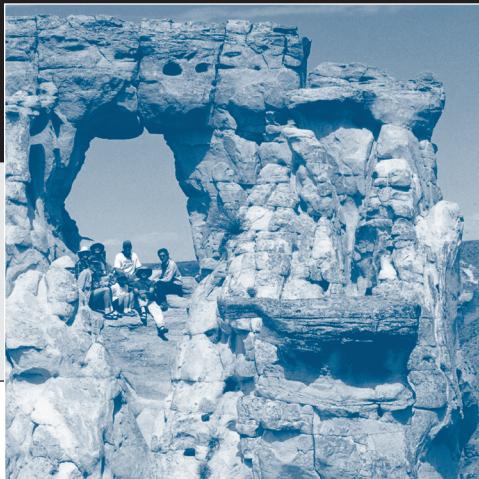
*Includes current appropriations and permanent operating funds.*

A 2006 budget increase of \$1.5 million is requested in the O&C Other Forest Resources program to support habitat restoration and enhancement projects, and the late-succession reserves thinning projects described above.

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These increases are made possible within the overall BLM budget request by ending the Jobs-in-the-Woods program. Jobs-in-the-Woods was created in the early 1990s as a temporary program to assist displaced timber workers in the Pacific Northwest

by offering resource-based job opportunities to improve water quality and restore Oregon's coastal salmon populations. Most workers have now transitioned and timber sales are increasing again, eliminating the need for this program.



# Recreation

*Federal agencies and employees are partners in managing our public lands and waters and providing great recreational experiences. We are partners with volunteers ... State and local agencies ... outfitters and guides ... campground managers and concessionaires.*

*Secretary Gale A. Norton, October 9, 2004*

Americans increasingly are turning to their public lands for solace, to enjoy the beauty of natural landscapes, and to improve their lives through exercise and outdoor experiences. Lands and waters managed by Interior offer unparalleled outdoor recreational opportunities for individuals – to marvel at the geologic rainbows at Arches National Park in Utah, explore mangrove thickets at Ten Thousand Islands National Wildlife Refuge in Florida, mountain bike up canyon trails around Moab, Utah, or simply take a short walk on a nearby greenway. Approximately 477 million people from all over the world visit Interior lands to hike, bike, canoe, camp, fish and hunt, and learn about the Nation's great historic, cultural, and natural places.

## RECREATION MISSION

**Provide recreation opportunities  
for America**

The National Park Service, Bureau of Land Management, Fish and Wildlife Service, and Bureau of Reclamation manage an inspiring and diverse collection of natural and cultural wonders. Enjoyment of Interior lands and resources takes on many forms ranging from paying tribute to the Nation's veterans at the newly opened World War II National Memorial in Washington, D.C., bird watching at Cape May National Wildlife Refuge in Delaware, trekking among the peaks and glaciers in the back country of Wrangell St. Elias National Preserve in Alaska, or boating on the Elephant Butte Reclamation reservoir in New Mexico.

As public interest in and demand for recreation opportunities grow, so does the complexity of managing the Nation's 262 million acres of BLM public lands, 308 Bureau of Reclamation recreation sites, 545 national wildlife refuges, and the 388-unit national park system. Management decisions affecting recreation on public lands must often balance multiple activities. The Interior Department's 2006 budget provides \$1.3 billion to advance its recreation mission. The budget proposes to:

- Improve visitor services at national parks, refuges, and other public lands.
- Increase hunting and fishing opportunities on national wildlife refuges.
- Transition from the Recreational Fee Demonstration program to fully implement the Federal Lands Recreation Enhancement Act.
- Fund State, tribal, local and Federal grant and land acquisition programs that expand recreation and conservation opportunities.
- Increase Take Pride in America funding, an integral component of the President's USA Freedom Corps, and maintain successful volunteer programs in the land management agencies.

## LAND MANAGEMENT OPERATIONS

Each of Interior's land management agencies, as well as the Bureau of Reclamation, provides outdoor recreation opportunities for the public. In 2004, lands and recreation sites managed by Interior experienced an overall increase of 26 million visitors. Approximately 280 million people visited national parks, 68 million visitors enjoyed BLM expansive landscapes and wide-ranging recreational opportunities, and 39 million visitors to wildlife refuges took pleasure in hunting, fishing, canoeing, and bird watching, among other activities. The Bureau of Reclamation had 90 million visitors who enjoyed assorted recreational activities such as boating on Lake Mead behind Hoover Dam.

### VISITORS AND SATISFACTION

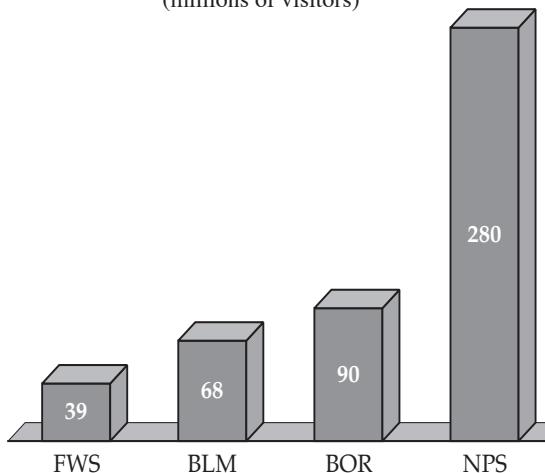
The rate of visitor satisfaction with experiences on Interior's public lands remained high in 2004. The NPS reports that 96 percent of visitors to national parks were satisfied with their experience, while BLM satisfaction was reported at 94 percent. The FWS established a baseline for satisfaction with quality of experience in 2004 of 88 percent to better track the degree of satisfaction with visits to wildlife refuges in the future.

**BLM Public Lands** – The 2006 budget proposes \$960.2 million for BLM operations, an increase of \$15.9 million above 2005. The operational increase includes \$5.9 million to provide services responsive to the public's growing demand for recreational opportunities on public lands and to protect natural and cultural resources under BLM stewardship. Of this funding increase, \$2.2 million is requested in the Challenge Cost Share program and, with matching funds, will provide over \$4 million in program benefits.

The BLM will focus a significant portion of the \$5.9 million increase on travel and transportation planning and management. Travel, transportation, off-highway vehicle use, and public access have been identified as key issues to be resolved in virtually all new planning efforts, in part because of the dramatic growth in off-highway vehicle use on BLM lands. As BLM updates resource

### 2004 INTERIOR RECREATION VISITS

(millions of visitors)



management plans, travel management plans will need to be developed and implemented to address resource issues such as maintaining public safety, minimizing and avoiding damage to cultural resources, and mitigating habitat fragmentation. The BLM will conduct road and trail inventories and identify optimal travel and transportation networks to guide future efforts to reroute, restore, or alter existing roads and trails, and restore damaged resources or mitigate impacts to acceptable levels. These planning efforts will be conducted in partnership, collaboration, and cooperation with the public.

Funds will also be used to address facility and infrastructure needs and enhance visitor services.



## NATIONAL WILDLIFE REFUGE SYSTEM HUNTING AND FISHING PROGRAMS

The national wildlife refuge system offers some of the finest hunting and fishing opportunities in the Nation. There are 308 national wildlife refuges that are open to hunting and offer a wide variety of hunting programs. There are 270 national wildlife refuges open to sport fishing. Each year, FWS looks for opportunities to add new public hunting and fishing programs. New hunting and fishing programs are opened through a regulatory process where the public is able to review and comment on proposed new hunting and fishing programs. These proposals and the final decisions to open new hunting and fishing programs are published in the Federal Register.

Additionally, there are 37 wetland management districts, which include waterfowl production areas and easements. By regulation, waterfowl production areas are open to hunting, fishing, and trapping.

**Bombay Hook National Wildlife Refuge**—Along the shores of the Delaware Bay hunters with disabilities, many of them veterans, welcomed the new year with what is for them a unique and rare waterfowl hunting trip. Refuge personnel at Bombay Hook National Wildlife Refuge, along with professional waterfowl guides and volunteers from the National Wild Turkey Federation, joined more than one dozen hunters with disabilities to welcome the new year during a morning filled with camaraderie, duck and geese calling from world champion waterfowl callers, and thousands of ducks and geese that winter on the refuge. This event was the result of a ground breaking partnership between the national wildlife refuge system and the National Wild Turkey Federation's Wheelin' Sportsmen Program. This partnership develops new opportunities for people with disabilities to enjoy the outdoors.

*Hunters across America have enjoyed national wildlife refuges for more than one hundred years and we are proud to extend this opportunity to hunters with disabilities.*

*Fish and Wildlife Service Director Steve Williams, January 2005*

The BLM will complete projects to update facilities and infrastructure, improve trail conditions, and enhance site security. The funds will also support BLM efforts to expand and improve signing, mapping, and travel information; expand stewardship education and outreach efforts; enhance interpretative information and programs; leverage partnerships and increase gateway community support.

**FWS National Wildlife Refuges**—President Theodore Roosevelt created the first national wildlife refuge at Pelican Island, Florida, in 1903. Today, the national wildlife refuge system includes 545 wildlife refuges and hundreds of waterfowl production areas covering approximately 96 million acres. A wildlife refuge can be found in every State and several U.S. Territories, often within an hour's drive of major cities. Refuges protect wildlife habitat and offer Americans the opportunity to pursue such outdoor activities as hunting, fishing, photography and wildlife viewing, and studying

the natural world. The 2006 budget proposes \$393.9 million for the refuge system, an increase of \$12.9 million over 2005. Programmatic increases within this total include \$7.7 million for the challenge cost share program, and \$2.1 million for refuge law enforcement. Refuges also provide high quality



big game, upland game, and migratory bird hunting, often in places where other Federal lands are scarce. By law, hunting and fishing are two of the six priority wildlife-dependent recreational uses on national wildlife refuges, and individual refuges are encouraged to provide opportunities to hunt and fish when compatible with the refuge's conservation goals.

Athletic pursuits are also popular recreational activities at refuges, including hiking, biking, and canoeing. These activities generate substantial economic activity for local communities. The most recent data available suggest that in 2002 visitors to refuges generated \$809.2 million in sales for regional economies. In addition, visitation at refuges helped employ nearly 19,000 people, with an estimated \$315.2 million in employment income.

**Enhancing Visitor Services in America's National Parks** – The National Park Service provides recreational opportunities for the Nation, offering interpretive ranger programs, staffing at visitor centers, daily maintenance activities, and other programs designed to enhance visitor services.

To continue enhancing basic visitor services, maintain and improve administrative capacity, and meet growing visitor requirements, the Department's 2006 budget request provides increases of \$40.0 million in pay and benefits and other fixed costs for Operation of the National Park System, \$5.4 million for the challenge cost share program, and \$3.4 million for repair and rehabilitation of historical buildings. This request fully funds additional pay and benefits allowing parks to maintain current capacity.

The 2006 budget request maintains the funding levels provided in the 2005 appropriation, which included a net increase of more than \$60.0 million over 2004 recurring park base funding.

Parks operate in a dynamic context with changing priorities, the emergence of new technologies, and evolving public expectations. This dynamic context requires that the park service, like all Federal agencies, periodically evaluate its management

practices and organization structures to ensure that available funds are effectively and efficiently used for priority purposes. The NPS is identifying management improvements and efficiencies that will result in enhanced visitor services and cost-effective operations.

The NPS has developed a park scorecard, an indicator of park financial, operational, and managerial health, to help managers identify and evaluate park funding needs and the allocation of resources to individual park units. Consisting of five categories with 24 equally weighted measures, the scorecard will be used in conjunction with park performance information to determine and prioritize park funding needs and the potential for individual parks to improve performance with additional funding. The scorecard was used to help allocate \$12.5 million provided in 2005 to bolster visitor services. With time, the scorecard will be more instrumental in selecting and validating regional requests for park base increases.



In addition, regional offices have been focusing on strategic planning to streamline processes, lower costs, and increase productivity. Many of these innovations are yielding improved effectiveness and efficiency gains that have helped parks maintain or enhance performance capacity. A few notable accomplishments include:

*Right now, the funding for national parks is at a record level.... The Park Service has more money per employee, per acre, and per visitor than ever before in its 88 year history.*

*Secretary Gale A. Norton, August 25, 2004*

• The Intermountain Regional Office is currently working on standardizing its mission critical workforce management analysis. The process ensures that the best management practices are implemented, and provides an approach for park units to establish priorities as they relate to each individual park unit's mission. Mission critical and position management reviews are generating savings of approximately ten percent for each park unit. The NPS is exploring the feasibility of implementing this process service-wide by the end of 2006.

• In the Pacific West Region, managers undertook a strategic review to achieve operational efficiencies by reshaping the role and mission of the regional office in response to the park and program managers it served. The result of this process was the identification of a Most Efficient Organization that eliminated two levels of management, eliminated four encumbered positions, and projected the elimination of at least one more high-level position. Estimated annual savings of over \$300,000 will be reinvested in rebuilding service capacity. Stabilizing and streamlining the organizational structure for the region also permitted a reassessment of space requirements for offices maintained in Oakland, California; Portland, Oregon; and Seattle, Washington. Reduced office space needs are expected to save an additional \$486,000 beginning in 2005. The NPS has decided to apply the Pacific West model across the national park system.

## THE FEDERAL LANDS ENHANCEMENT RECREATION ACT

Passed by the 108th Congress and signed into law by the President on December 8, 2004, the Federal Lands Recreation Enhancement Act will enable Interior land management agencies to improve recreation and visitor amenities on public lands. The Act provides a ten-year extension of the program, which was piloted with the Recreational Fee Demonstration program. The Act establishes important parameters for the program to ensure that

fees are charged only in appropriate locations and revenues are appropriately spent on infrastructure and services that directly benefit the public.

The Department is working collaboratively with the U.S. Department of Agriculture on key implementation issues such as development of long-term, multi-agency fee guidance, and the creation of the new America the Beautiful Pass, which will cover entrance and standard amenity fees for the five agencies authorized under the Act. The Departments are committed to creating a dynamic program responsive to the public and the Congress during the implementation process.



In 2006, the Interior Department will continue to transition from the Recreational Fee Demonstration program to the provisions of the new Act. Working with the Congress, the Department has established a set of principles to guide the program during the transition period, including:

- No new fee areas will be created.
- Agencies will conduct an interim evaluation of existing fee sites based on the new criteria and prohibitions.
- The Golden Eagle, Golden Age, Golden Access, and the National Park Passes will continue until the America the Beautiful Pass is available.
- All of the existing Golden Eagle, Golden Age, Golden Access, and the National Park Passes will be grandfathered under

existing benefits and will remain valid until expired.

- Specific site, forest, and regional passes, such as southern California Forest Service Adventure Pass, will continue.

The Act includes criteria and direction that address issues raised by the public and members of the Congress regarding recreation fees. For example, the Act prohibits fees for BLM and the Forest Service for general access to national forests and grasslands, access to overlooks and scenic pullouts, and areas with low or no expenditures for facilities or services. The use of Recreation Resource Advisory Committees required by the Act will ensure public input on decisions about expanding the fee program by providing the public and local communities an opportunity to make recommendations to BLM or the Forest Service on specific recreation fee sites and fees. Public notice and participation provisions will guide Interior's efforts to conduct a program that is accountable and transparent. Under the Act, the vast majority of recreation sites will continue to be free.

## THE LAND AND WATER CONSERVATION FUND

The Land and Water Conservation Fund—established in 1965 to conserve, develop, and utilize outdoor recreation resources for the benefit and enjoyment of the American people — has largely achieved those goals through land acquisition. Over the life of the program, over \$14.5 billion has been appropriated from the Land and Water Conservation Fund. Of this amount, \$10.5 billion, or 72 percent, has been provided for Federal land acquisition. Nearly \$3.8 billion has been appropriated to grant programs for State and local land acquisition and recreational programs.

Two factors underlie a shift in strategies for achieving the goals of the Land and Water Conservation Fund. First, Federal and State managers are balancing the workload and funding requirements for operation and maintenance of lands already under their management with the effects of adding more lands to their land management portfolios. Second, tools other than land acquisition continue to demonstrate significant recreation and conservation benefits. Specifically, partnerships and cooperative conservation leverage funding, help build a Nation of citizen stewards, and improve

## LAND AND WATER CONSERVATION FUND (dollars in thousands)

2006 Request

### DEPARTMENT OF THE INTERIOR

Cooperative Conservation Programs	
BLM	
Challenge Cost Share.....	19,996
FWS	
Refuge Challenge Cost Share .....	12,000
Partners for Fish and Wildlife .....	52,197
Coastal Programs.....	14,900
Migratory Bird Joint Ventures.....	12,900
NPS	
Challenge Cost Share.....	12,787
DM	
Take Pride in America .....	1,000
Subtotal.....	125,780

### State and Other Grant Programs

FWS	
State / Tribal Wildlife Grants .....	74,000
Landowner Incentive Grants .....	40,000
Private Stewardship Grants .....	10,000
Coop. Endg. Species Grants .....	80,000
NAWCF Grants .....	49,949
Subtotal.....	253,949

### NPS

State Assistance Grants .....	<u>1,587</u>
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Subtotal, Cooperative Conservation	381,316
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### Federal LWCF

BLM.....	13,350
FWS .....	40,992
NPS .....	52,880
Appraisal Services .....	7,441
Subtotal.....	114,663

Subtotal, Interior .....	495,979
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## U.S. FOREST SERVICE

### State LWCF Programs

Forest Legacy .....	80,000
Forest Stewardship .....	37,099
Urban and Community Forestry ....	27,475
Federal LWCF Land Acquisition ....	40,000
Subtotal, Forest Service.....	184,574

TOTAL .....	680,553
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results for the American public by addressing cross-jurisdictional issues and needs.

The Department's challenge cost share programs give Federal managers an opportunity to partner with non-governmental organizations, corporations, sporting groups, private citizens, and others to achieve conservation results that benefit Federal lands, natural resources, local communities, and improve opportunities for recreation. The 2006 LWCF request includes \$125.8 million for cooperative conservation programs that expand opportunities for partnership projects that pay dividends in conservation and achieve recreation results and leverage funding.

The cooperative conservation programs, which are a part of the 2006 LWCF proposal, allow Federal managers to link their efforts to private lands and those of local communities. Linking the conservation and recreation approaches on public lands to adjacent and nearby private lands expands opportunities for more significant results and community participation. A significant number of species currently protected under the Endangered Species Act reside, for all or a portion of their lives, on private lands. Cooperative conservation to restore and protect habitat in conjunction with expanded recreation is key to the protection of endangered species as well as migratory wildlife and fish that know no boundaries.

Partnerships in conservation that extend beyond the boundaries of Federal and State lands create unique opportunities to tap into the knowledge and resources of neighboring communities and



## FLIGHT 93 NATIONAL MEMORIAL

The National Park Service is working in concert with the Flight 93 Memorial Task Force, the Flight 93 Advisory Commission, and the Families of Flight 93 to acquire land and to preserve for future generations a site that honors the passengers and crew of Flight 93, who gave their lives thwarting a planned attack on Washington, D.C., on September 11, 2001. The Conservation Fund is assisting with the protection of lands at the National Memorial and has received donations of 29 acres from PBS Coals and 140 acres from CONSOL Energy.

With the \$4.3 million in requested funds in 2006, NPS would acquire 1,556 acres in ten high-priority tracts that include portions of the impact site and several buildings used by the FBI and State police during the investigation of the event.

enlist their support in long-term conservation and recreation goals. In addition to expanding opportunities to meet the goals of LWCF, these partnerships leverage funds through partnerships that yield at least a one-to-one match.

The 2006 Interior budget request of \$496.0 million provides additional opportunities for conservation and recreation partnerships with citizens, organizations, Tribes, and communities throughout the Nation. Combined with the Forest Service request of \$184.6 million, the LWCF request totals \$680.6 million for 2006, matching the 2005 funding level provided by the Congress.

The request includes \$381.3 million for cooperative conservation programs and \$114.7 million for Federal land acquisition, including \$44.0 million for the acquisition of inholdings, emergency acquisitions, exchanges, acquisition management, and appraisal services. The request also includes \$70.7 million for line-item acquisition projects.

**Federal Land Acquisition** – The LWCF funds are used to acquire interests in land for national parks, wildlife refuges, and other public lands that enhance recreational opportunities, protect cultural and biological resources, and improve operating efficiencies in the management of public lands. The Department's land acquisition programs fol-

low a set of guiding principles that assure integrity, accountability, and transparency in land transactions. The acquisition programs promote the use of easements, donations, and other alternatives to fee title acquisition when appropriate and adhere to a policy to work only with willing sellers and promote private stewardship. In formulating the 2006 budget, a Program Assessment Rating Tool evaluation of land acquisition programs pointed to the need to better integrate land acquisition priorities with program goals. A cross-Departmental team is developing common performance measures and uniform approaches for prioritizing acquisition needs.

The \$114.7 million Federal LWCF request includes \$13.4 million for BLM, \$41.0 million for FWS, \$52.9 million for NPS, and \$7.4 million for appraisal services. Examples of proposed land acquisition projects include:

- Increasing public recreational access to Westwater Canyon on the Colorado River in Colorado, which attracts approximately 10,000 annual rafters.
- Restoring wetlands at Upper Klamath Lake NWR in Oregon to improve habitat for wildlife and fisheries.
- Protecting historic park lands and resources from intense development pressures at the sight where Lewis and Clark camped near the mouth of the Columbia River at Fort Clatsop in Oregon in the winter of 1805-06.

The Department of the Interior will continue discussions with the Collier family regarding a possible acquisition of mineral rights to Big Cypress Natural Preserve. In the event that an agreement



is reached, the Department's land acquisition priorities could be reordered.

**LWCF Stateside Grants** – Nearly \$3.8 billion has been appropriated through 2005 for the LWCF State Assistance Grant program, including over \$417.1 million in the last four years, providing significant resources to States to develop recreation programs and acquire land. Many of these grants support State and local parks that have alternative sources of funding through State revenues or bonds. In addition, a PART review in 2003 found the current program could not adequately measure performance or demonstrate results. As the Nation strives to trim the Federal deficit, focusing Federal funds on core Federal agency responsibilities and on activities that do not duplicate State and local programs is imperative.

**Appraisal Services** – Interior's Appraisal Services program provides independent, objective market-value appraisals and appraisal services, including reviews, consulting, and concessions valuations to support bureau land management, acquisition, and other programs. Creation of an independent appraisal function at the Departmental level in 2004 consolidated expertise and reformed business practices, resulting in improved effectiveness and efficiency. To date the program has implemented consistent and transparent appraisal processes, established valuation methods that comport with



nationally applicable standards, provided rigorous review requirements for third party appraisals, and significantly improved the internal process to ensure accountability for land exchanges. The 2006 budget includes \$7.4 million for appraisal services in Departmental Management, which were previously funded from BLM, NPS, FWS, and Reclamation programs.

Between November 2003 and September 30, 2004, Appraisal Services completed 480 appraisals and 1,182 appraisal reviews. In addition, 557 consultation assignments were completed involving scope of work, market studies, and highest and best use and larger parcel analyses; 387 contracts for appraisal services were managed; and oversight was provided on 93 appraisals from third parties. The backlog of 940 appraisal assignments was reduced by approximately 600 by the end of 2004.

## VOLUNTEER PROGRAMS

The Department's land management agencies have close ties to the American people and sustain long-standing relationships with communities and individuals. The many historic, cultural, and natural resources accessible throughout lands managed by the Department provide public opportunities for respite, reflection, and outdoor recreation. The connection of people to these special places provides a rich context within which to engage the public, establish partnerships, and promote volunteerism in America.

Each year Interior receives tremendous contributions as a result of long-term relationships with volunteers. Through a variety of volunteer

programs, individuals of all ages with differing levels of experience and educational backgrounds contribute valuable time to help the Department fulfill its recreation mission. These volunteers bring their knowledge of local places and people and provide unique insights for visitors to parks, refuges, and public lands. In return, volunteers benefit from many learning experiences, new relationships, healthy lifestyles, and dynamic recreational opportunities. In 2005, volunteers are expected to contribute over 7.8 million hours of their time to the Interior Department at a value of \$139.6 million.



## TAKE PRIDE IN AMERICA

Take Pride in America, the public lands component of the President's USA Freedom Corps, is a national, multi-agency partnership that empowers volunteers to participate in enhancing parks, refuges, recreation areas, and cultural and historic sites.

This initiative has successfully garnered support by leveraging private funding and thousands of volunteer hours to further stewardship and other efforts on Interior lands. In its second year of operation in 2004, the Take Pride in America program continued to build support. Governors from all 50 States and Guam, representing the Council of Governors, joined the program. More than 100 charter partners joined the program in 2003-2004, offering support by sponsoring events, donating materials, and lending resources for the Take

### INTERIOR VOLUNTEER PROGRAMS

	<b>BLM</b>	<b>FWS</b>	<b>NPS</b>	<b>Total</b>
<b>Hours donated (thousands of hours)</b>				
2004 Actual.....	1,553	1,253	5,000	7,806
2005 Estimate.....	1,584	1,125	5,100	7,809
2006 Estimate.....	1,615	1,068	5,200	7,883
<b>Value of volunteer time (dollars in millions)</b>				
2004 Actual.....	26.7	21.3	85.9	133.9
2005 Estimate.....	28.5	19.3	91.8	139.6

Pride program. For example, the Take Pride in Florida State program was established with volunteers pledging more than 400,000 service hours to help with public land projects in the wake of hurricanes in 2004.

Take Pride in America activities planned for 2005 include a meeting in Salt Lake City, Utah, in February where representatives will gather to share ideas for establishing new Take Pride programs and events throughout the country. Interior will

develop and distribute outreach materials to encourage growth in the program and for an enhanced website that would make information on volunteer opportunities more accessible. Finally, Secretary Norton will participate in the Western States Tour in July 2005 to promote the goals and mission of the Take Pride in America program with an emphasis on volunteer projects. The 2006 request increases funding for coordination of Take Pride in America activities by \$509,600, bringing the Take Pride budget to \$1.0 million.

### TAKE PRIDE IN AMERICA SUCCESS STORIES

- The America the Beautiful Fund donated \$1.0 million for seeds for 1,672 Take Pride in America Gardens. These gardens have been planted in all 50 States. Garden award winners are selected by the America the Beautiful Fund based on gardening ingenuity and creativity. This program encourages community involvement in the spirit of Take Pride in America. Gardens for Humanity received a Take Pride in America Garden Award for planting “healing” gardens in several locations throughout Arizona, including health care facilities, reservations, and schools.
- A group of fifth graders painted picnic tables and cleaned up a hiking trail in Santa Monica Mountains National Recreation Area. The children were winners of the 2003-2004 Jiminy Cricket Environmental Challenge, sponsored by The Walt Disney Company. This program encourages children to take care of the environment. Clint Eastwood, a spokesman for Take Pride, urged attendees at the event to take responsibility for public lands.
- Florida residents responded to the ravaging effects of multiple hurricanes by stepping up volunteer efforts throughout the State. Over 80 events took place within a week of the Take Pride in America pledge drive, demonstrating the commitment Florida residents have to benefiting public lands.



*Every community has a stake in preserving our public lands and resources for future generations.*

*Secretary Gale A. Norton, January 21, 2004*

# Serving Communities



*The Healthy Forests Restoration Act of 2003, which I signed into law, expands our work, helping protect valuable lands that serve as habitat for wildlife and ensuring the safety and economic vitality of communities affected by wildfires.*

*President George W. Bush, October 21, 2004*

The Department of the Interior is responsible for protecting lives, resources, and property; generating scientific information; and fulfilling the Nation's trust and other special responsibilities to American Indians, Alaska Natives, and residents of affiliated island communities.

The Department faces challenges as it strives to continue to improve services to these communities. These include:

- Fulfilling trust responsibilities and promoting self-determination on behalf of tribal governments, American Indians, and Alaska Natives.
- Protecting communities from catastrophic wildland fires.
- Safeguarding visitors to Interior-managed lands from illegal activities.
- Providing scientific information to reduce risks from earthquakes, landslides, volcanic eruptions, and other hazards.
- Providing scientific assessments on the quality and quantity of the Nation's water resources and conducting multi-purpose natural science research.

The 2006 budget includes \$5.1 billion for programs that provide services to communities. It will improve services and accountability in trust programs and the operation and maintenance of detention centers; promote healthy forests; and enhance earth science information analysis to reduce risks.

## SERVING COMMUNITIES MISSION

**Safeguard lives, property and assets,  
advance scientific knowledge, and improve  
the quality of life for communities  
we serve**

## TRIBAL COMMUNITIES

The Department's 2006 budget increases funding for unified Indian trust programs over the 2005 enacted level by \$80.1 million. This proposed increase will fund continued improvements in trust management, continue implementation of the Department's plan to conduct a historical accounting for individual Indians and Tribes, and continue efforts to consolidate fractionated interests in lands.

Working closely with federally recognized Tribes, Interior also promotes economic development and an improved quality of life for 1.5 million Native Americans in tribal communities across the Nation. To support the effort, the 2006 budget includes a total of \$2.5 billion for BIA programs. The budget gives priority to improving operations and facility conditions at BIA-funded detention centers and continues to address the repair and replacement of BIA elementary and secondary schools.

## AFFILIATED ISLAND COMMUNITIES

In serving communities, the Department coordinates Federal policy for, and provides technical and financial assistance to, the Territories of American

Samoa, Guam, and the U.S. Virgin Islands, as well as the Commonwealth of the Northern Mariana Islands. Interior also oversees financial assistance to the freely associated states: the Federated States of Micronesia, the Republic of the Marshall Islands, and the Republic of Palau. The 2006 budget requests \$79.1 million in discretionary appropriations for the Office of Insular Affairs to improve the financial management practices of the insular governments, increase economic development within the insular areas, and increase Federal responsiveness to the unique needs of the island communities. Permanent appropriations for OIA in 2006 will total \$313.3 million, including \$198.3 million for payments to the freely associated states under the recently revised and ratified Compact of Free Association.

## WILDLAND FIRE

Over the past five years, the National Fire Plan has generated a more effective response to wildland fires and, with the tools of the President's Healthy Forests Initiative and the Healthy Forest Restoration Act, fostered significant progress to reduce fuel loads, improve forest health, and reduce risks to communities. In 2006, continued progress in fuels treatment performance to support the President's Healthy Forests Initiative will be a primary focus of the Department's wildland fire program. A second focus will be continued improvement in the efficiency and cost-effectiveness of fire preparedness and suppression activities. The 2006 budget

proposes \$756.6 million to carry out Interior's responsibilities under the National Fire Plan and Healthy Forests Initiative.

## LAW ENFORCEMENT AND SECURITY

Law enforcement and security activities of the Department are critical components for successfully managing and protecting public lands and surrounding communities. The 2006 budget requests \$613.4 million for law enforcement and security programs. In addition to addressing deficiencies at BIA detention centers, the budget focuses increased resources on law enforcement presence in specific areas where the risk of violent crime is high and on improving internal affairs and compliance programs.

## SCIENCE

Science is a cornerstone for the Department's land management decisions, supporting work to achieve resource protection, resource use, recreation, and serving community goals. The 2006 budget continues science programs that generate relevant, objective information for land managers and for communities throughout the Nation by proposing \$933.5 million for the U.S. Geological Survey. The budget emphasizes improvements in hazards monitoring and provides funding for the USGS role in a partnership with NASA and NOAA for the next generation of land remote-sensing satellites.

## PAYMENTS IN LIEU OF TAXES

With deficit reduction as a top priority, the 2006 budget proposes \$200.0 million for the PILT program, a \$26.8 million decrease from the 2005 enacted level. The proposed funding is 60 to 97 percent higher than PILT funding levels in the nineties, and level with the 2001 amount. The PILT Act was passed by Congress in 1976 to provide payments to local governments in counties where certain Federal lands are located within their boundaries. The PILT is based on the concept that these local governments incur costs associated with maintaining infrastructure on Federal lands within their boundaries but are unable to collect taxes on these lands; thus, they need compensation for these losses in tax revenues. The payments are made to local governments in lieu of tax revenues and to supplement other Federal land receipts shared with local governments. Local governments use PILT payments to improve local school, water, and road systems, as well as for other necessary infrastructure purposes that local governments would be hard pressed to provide without PILT.

The PILT distribution formula takes into account the population within an affected unit of local government, the number of acres of eligible Federal land, and the amount of certain Federal land payments received by the county in the preceding year. These payments include other Federal revenues, such as receipts from mineral leasing, livestock grazing, and timber harvesting, that the Federal government transfers to the counties.



## FULFILLING TRUST RESPONSIBILITIES

*Positive and productive trust reform has remained a high priority throughout the Bush Administration. As the trustee for American Indian lands and funds, Interior is committed to protecting trust assets and fulfilling our trust responsibilities to individual and tribal trust beneficiaries.*

*Secretary Gale A. Norton, September 2004*

The Department of the Interior has responsibility for the largest land trust in the world. The Indian trust today encompasses approximately 56 million acres of land. Over ten million acres belong to individual Indians and nearly 46 million acres are held in trust for Indian Tribes. On these lands, Interior manages over 100,000 leases for individual Indians and Tribes. Leasing, use permits, land sale revenues, and interest totaling approximately \$205 million per year are collected for 245,000 open individual Indian money accounts. About \$414 million per year is collected in 1,400 tribal accounts for 300 Tribes. In addition, the trust manages approximately \$3.0 billion in tribal funds and \$400 million in individual Indian funds.

From 1996 through 2005, the Department invested \$2.9 billion in the management, reform, and improvement of Indian trust programs. Trust business processes have been re-engineered to provide efficient, consistent, integrated, and fiscally responsible service to beneficiaries. The trust organization is being reorganized to meet fiduciary trust responsibilities, provide greater accountability at every level, and operate with staff trained in the principles of fiduciary trust management. The land consolidation program has been expanded to address the growth of fractionated interests in individual Indian allotted lands. An Office of Historical Trust Accounting has been established and is reconciling past transactions in individual and tribal trust accounts.

The 2006 budget request proposes to invest an additional \$591.4 million in Indian trust programs. This amount includes a net program increase of \$80.0 million over the 2005 enacted level.

The 2006 unified trust budget continues support for the re-engineering and reorganization of trust programs and for continued progress in eliminating the backlog of unresolved probate cases and consolidating fractioned interests in allotted lands. The budget also proposes funding increases to continue implementation of the *Historical Accounting Plan for Individual Indian Money Accounts*. This amount may be revised depending on any court rulings in the *Cobell v. Norton* case and congressional action, which could potentially delineate the specific historical accounting obligations of the Interior Department.

## OPERATION OF TRUST PROGRAMS

In 2002, the Department began a meticulous process to re-engineer trust business processes. In 2003, the Department began to implement a complementary effort to reorganize trust functions in the Bureau of Indian Affairs and the Office of the Special Trustee for American Indians.

The re-engineering effort began with documentation of "As-Is" processes, providing the Department with a comprehensive understanding of trust business operations, an opportunity to identify needs and places for improvement, and an understanding of variances of practice among geographic regions and their causes. A "To-Be" re-engineering phase produced a process redesign for an efficient, consistent, integrated, and fiscally responsible business model that will better meet the needs and priorities of the beneficiaries, while addressing the duties of the Department as trustee.

<b>UNIFIED TRUST 2006 BUDGET</b>			
	(\$ in millions)		
<b>Program</b>	<b>2005 Enacted</b>	<b>2006 Budget</b>	<b>Change</b>
Beneficiary Services	15.0	26.3	+11.3
Ownership Information	124.5	125.4	+0.9
Land & Natural Resources	122.2	121.6	-0.6
Trust Fund Assets	40.7	40.2	-0.5
DOI Trust Organization	32.2	32.4	+0.2
Historical Accounting	57.2	135.0	+77.8
Information Technology	80.5	79.8	-0.7
Records Management	21.4	19.8	-1.5
Other	12.0	10.9	-1.1
<b>Total</b>	<b>505.6</b>	<b>591.4</b>	<b>+85.7</b>

Secretary Norton approved the result of the re-engineering effort, now known as the Fiduciary Trust Model, on August 11, 2004.

Examples of improvements to be made in 2005 and 2006 through implementation of the Fiduciary Trust Model include:

- Continuing work to migrate from over 50 fragmented information data systems to an integrated nationwide system with automated workflow tools.
- Providing for improved and coordinated services for beneficiaries through a nationwide call center and local trust officers.
- Standardizing documents to be recorded for approved conveyances and encumbrances in title transactions.
- Providing for more secure fund processing by use of commercial lock boxes for receipt of funds.

The new organization for trust programs places OST trust officers at the regional and agency level to ensure that the Department meets fiduciary trust responsibilities in the management of these trust assets. These trust officers will be the first line of contact for tribal and individual beneficiaries for issues related to their ownership and use of trust

assets. Within BIA, the reorganization separates the management of trust functions at the regional and agency levels, establishing regional and agency deputies for trust operations.

As part of the trust reorganization, OST has hired six Trust Administrators and 41 Trust Officers as of December 31, 2004, with an additional 11 Trust Officers to be hired by June 2005. In addition, BIA will hire 25 deputy agency superintendents in 2005.

The 2006 budget provides an increase of \$12.6 million for trust operations. Of this increase, \$3.0 million will support implementation of the BIA reorganization, providing seven BIA deputy regional directors and 25 deputy agency superintendents for trust at the local level. This additional staffing will significantly advance implementation

## RECORDS REPOSITORY

The dedication on May 14, 2004, of the American Indian Records Repository at the National Archives and Records Administration facility in Lenexa, Kansas marks a new chapter in the Department's undertaking to improve Federal management of Indian records. The repository is part of NARA's underground regional records service facility in Lenexa. It will house the consolidated inactive records of BIA and OST. As of the end of fiscal year 2004, approximately 64,200 indexed boxes had been placed in the Indian Records Repository.

In conjunction with establishment of the Indian Records Repository, Interior and NARA worked with the Haskell Indian Nations University, a BIA-operated, post-secondary institution located in Lawrence, Kansas, to establish a program to train and certify Indian students in archival and records management. Fifteen students were enrolled for the fall 2004 semester in the records management course. The program will eventually help place qualified records management specialists at bureaus and offices throughout Indian country to ensure the proper protection and preservation of Indian records.

## TRAINING CENTER

The Department has established the National Indian Programs Training Center in Albuquerque, New Mexico to enhance and standardize adequate trust and program related training. The Center will be a hub for trust training of all Departmental Indian fiduciary and trust services, and tribal employees involved in trust reform and self-government and determination programs. In addition, the Center will provide a range of mission critical, leadership, and career development courses to BIA and OST employees. The facility, to be located adjacent to the BIA southwest regional office at the site of the former Albuquerque Indian School, will have modern classrooms and employ state-of-the-market computer hardware for consistent training. The Center will be operated by the Department of the Interior University under a contract with BIA and OST. The 2006 budget includes an increase of \$1.5 million for the cost of leasing the building for the Center.

of trust reform. It will permit more decisions to be made at the local level, thus giving beneficiaries timely responses to questions and more efficient management of trust assets.

An increase of \$8.0 million is proposed to contract to complete case preparation of over 23,000 probate cases by the end of 2008. The balance of the increase, \$1.6 million, is for contractual support for land title and records offices to undertake title-related expanding workloads in Indian land consolidation, probate, and Youpee activities.

The budget increases for trust operations are offset by reductions of \$11.7 million, which reflect completion of trust reform activities, allowing funds to be realigned to meet current priorities and program requirements. These realignments include: a reduction of \$950,000 for one-time implementation costs in information technology programs for the virtual trust data warehouse and appraisal system, a \$1.0 million reduction in the appraisal program as a result of economies and efficiencies in conducting reservation-wide rather than individual tract land appraisals, a \$1.8 million decrease to reflect the reduction of budgeted one-time costs for recruitment and the establishment of BIA agency deputy positions in 2005, and a \$3.4 million decrease in BIA real estate services

and resource management due to one-time cost savings or management efficiencies.

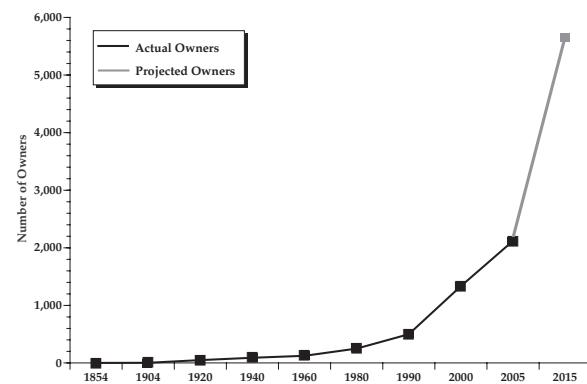
In addition, the completion of certain trust systems work supporting development of policies and procedures (-\$2.0 million), records management (-\$1.5 million), and risk management (-\$1.1 million) activities are one-time implementation costs not required in the budget going forward.



## INDIAN LAND CONSOLIDATION

The fractionation of individual Indian interests in the land that the Federal government holds in trust remains one of the greatest challenges facing successful fiduciary trust management. Because individual Indian trust lands are subject to a permanent restriction against alienation, they are primarily transferred through inheritance. Beginning with introduction of individual allotments in the 19th Century, each successive generation of individual interests in the land became further divided and

### FRACTIONATION OF INDIAN LAND



subdivided among heirs, each of whom holds a smaller and smaller interest in the land.

The ownership of many disparate, uneconomic, and small interests benefits no one in Indian country and creates an administrative burden that drains resources away from other Indian programs. Managing all of these fractionated individual interests is expensive. Individual owners often see little benefit because their interests are so small. Most often it is difficult, if not impossible, to put the land to its best economic use because so many ownership interests are involved. As the number of ownership interests has grown, the cost to the Federal government to manage and account for those interests has also grown. In many cases, the cost to account for and probate highly fractionated tracts far exceeds either the owners' receipts or the value of the underlying property.

The American Indian Probate Reform Act, signed by President Bush on October 28, 2004, contains new tools to improve probate and help slow the growth of fractionation. However, 2.3 million land interests and 1.2 million mineral only interests remain the legacy of more than 100 years of fractionated individual interests.

The Indian Land Consolidation program, made permanent by the new legislation, acquires small ownership shares in allotted land from willing sellers. Once interests are purchased, title can be transferred to Tribes. Purchase of fractional interests increases the likelihood of more productive economic use of the land, reduces record keeping and large numbers of small-dollar financial transactions, and decreases the number of interests subject to probate.

Through December 31, 2004, Interior has acquired a cumulative total of 117,661 interests in BIA's Midwest, Northwest, Western, Eastern Oklahoma, and Great Plains regions. Over 90 percent of the interests were interests of less than two per-cent ownership in the respective tracts of land.

During 2004, acquisition programs operated at a total of 18 reservation locations within seven BIA regions; a national expansion plan was drafted; and a contractor was hired to assist with processing acquisition packages at the field level. Implementation of a case management system was initiated to automate application processing and track program and management information required for acquiring land interests on a nationwide basis.

### **AMERICAN INDIAN PROBATE REFORM ACT**

On October 27, 2004, the President signed the American Indian Probate Reform Act of 2004, which amends the Indian Land Consolidation Act to provide a means to reduce fractionation of individual Indian land interests and establishes a uniform probate code for Indians.

The Act changes the way trust estates are probated. Additionally, the Act:

- Increases the importance and benefits of writing a will or doing an estate plan.
- Provides greater access to trust asset records.
- Ensures that tribal probate laws are consistent with Federal probate laws.
- Improves individuals' ability to consolidate interests in trust or restricted land.
- Improves individuals' ability to manage parcels of land in which an interest is owned.
- Limits inheritance without a will when ownership is less than five percent of the total.

These and other provisions of the law will enhance the land consolidation effort by providing useful tools to individuals, Tribes, and Interior. The law requires the Secretary to send a notification to Tribes and individuals who might be affected by the law, and to certify that such notice was sent. Most of the provisions of the law will take effect one year from the date of the certification.

As reflected in a 2004 Program Assessment Rating Tool review, the pilot land consolidation efforts have taught valuable lessons about the need to target purchases to maximize return of land to productive use and allow closure of IIM accounts associated with these interests. Targets include purchase of all available interests of individual owners on extremely fractionated tracts.

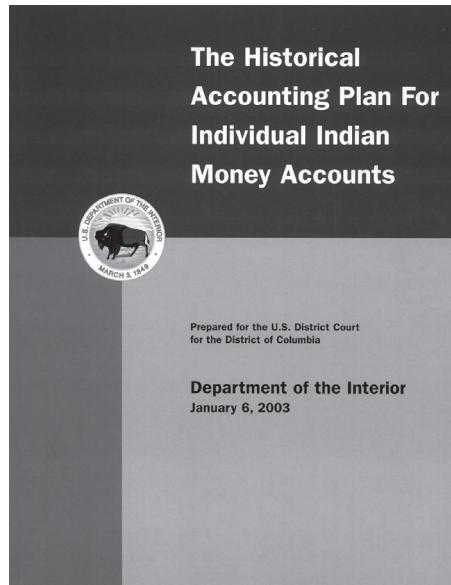
The 2006 budget proposes \$34.5 million for Indian land consolidation, the same as the 2005 enacted level. This funding will provide for a nationwide acquisition program that can acquire an estimated 46,000 highly fractionated interests. These funds will also provide for various acquisition management activities, including program management, contract assistance to acquire interests, data systems, title reconciliation, and appraisals as needed to acquire fractionated interests.

### HISTORICAL ACCOUNTING

In 1994, Congress passed the American Indian Trust Fund Management Reform Act of 1994, which requires the Secretary of the Interior to "account for the daily and annual balance of all funds held in trust by the United States for the benefit of an Indian Tribe or an individual Indian which are deposited or invested pursuant to the Act of June 24, 1938 (25 U.S.C. §4011 (a))." The Department is currently involved in a major class action lawsuit, *Cobell v. Norton*, and 24 tribal lawsuits associated with the management of Indian trust.

On January 6, 2003, as ordered by the court in the *Cobell* litigation, the Department filed *The Historical*

*Accounting Plan for Individual Indian Money Accounts*. The Department's accounting plan provides for a historical accounting for about 260,000 IIM accounts over a five-year period at an estimated cost of \$335 million using both transaction-by-transaction and statistical sampling techniques to develop assurances of the accuracy of the statements of accounts.



The 2006 budget for historical accounting by the Office of Historical Trust Accounting is \$135 million, an increase of \$77.8 million over the 2005 enacted level. This amount will provide \$95.0 million for IIM accounting, an increase of \$50.0 million above the 2005 level, and \$40.0 million for tribal accounting, an increase of \$27.8 million above the 2005 level.

As of December 31, 2004, OHTA had reconciled more than 36,700 judgment accounts with balances totaling more than \$53.0 million and reconciled 7,360 per capita accounts with balances of over \$21.7 million. The OHTA has mailed over 9,500 historical statements of judgment and per capita accounts to individual Indian account holders and former account holders. By the end of 2005, OHTA will reconcile an additional 34,000 judgment accounts and 9,200 per capita accounts.

Through December 31, 2004, OHTA also resolved residual balances in nearly 8,200 special deposit accounts, identifying the proper ownership of more than \$38 million belonging to individual Indians, Tribes, and private entities. By the end of 2005, OHTA expects to resolve the proper ownership of approximately \$51 million (cumulative) in residual special deposit account balances.

The OHTA also has begun using a contractor-developed accounting reconciliation tool to reconcile land-based IIM transactions. By the end of 2005, OHTA will reconcile an additional 7,000 land-based IIM account transactions. In preparation for completion of historical statements of account for land-based IIM accounts, OHTA will verify and fill any gaps in historical transaction data for approximately half of the BIA regions.

The 2006 budget request for IIM accounting is based on an estimate of the Department's costs to continue implementation of the *Historical Accounting Plan for Individual Indian Money Accounts*. This amount may be revised depending on any court rulings in the *Cobell v. Norton* case and congressional action which could potentially delineate the specific historical accounting obligations of the Interior Department.

With the \$95 million proposed for individual accounts, OHTA will continue to reconcile IIM trust account transactions in accordance with the *Plan for the Historical Accounting*, as modified to recognize lessons learned during the last two years of accounting activities.

Of the total, \$5.0 million will be used to complete the reconciliation of judgment and per capita accounts and \$22.0 million would be used to resolve

and distribute to the proper owners \$17.7 million in residual balances in special deposit accounts.

To address land-based transactions, Interior will use \$26.0 million to reconcile 30,000 land-based IIM account transactions; \$25.0 million to digitize over ten million paper-era transaction records for reconciliation; and \$17.0 million to create 200,000 account statements for reporting historical accounting results. The OHTA will target subgroups of land-based IIM accounts for reconciliation to complete the process of making valid assurances. Historical statements of account would then be prepared for each subgroup.

The \$40.0 million request for tribal accounting will support work by OHTA on potential settlement negotiations with Tribes. It will also provide funding to conduct ten historical accountings for Tribes and present tribal briefings, as requested.

#### HISTORICAL ACCOUNTING

	2004	2005	2006
Judgment accounts reconciled .....	13,320	34,000	15,840
Per capita accounts reconciled .....	4,630	9,200	4,570
Special deposit account funds distributed .....	8.5 million	13.0 million	25.0 million
Land-based IIM transactions reconciled.....	4,706	7,000	30,000
Tribal accounts reconciled.....	0	5	10
Historical transaction data validated by BIA region.	1	5	6
Number of historical statements of account mailed to account holders.....	9,537	60,000	200,000
Paper era transactions digitized.....	74,000	400,000	10 million

*Judgment and per capita account reconciliation completed in 2006*

*Historical statements of account includes judgment, per capita and land-based IIM accounts.*



## SERVING TRIBAL COMMUNITIES

*We look forward to working in partnership with Tribes. Through the participation of tribal leaders, I am confident we can meet the needs of the Nation and further secure the future of American Indian and Alaska Native people.*

*Secretary Gale A. Norton, September 22, 2004*

To advance quality of life for tribal communities, the 2006 budget includes \$2.2 billion for programs in the Bureau of Indian Affairs. The budget provides new funding to address operations and facility conditions at BIA-funded detention centers, continues to address the repair and replacement of BIA elementary and secondary schools, initiates a program of leadership academies for BIA schools, and invests in economic development for Indian Tribes.

### PUBLIC SAFETY AND JUSTICE IN INDIAN COUNTRY

The BIA provides direct assistance to Tribes for law enforcement programs, including uniform patrol, criminal investigations, detention, and dispatch on approximately 56 million acres of Indian Country in 35 States. The Department of Justice and BIA began a joint initiative in 1999 to improve public safety and justice in Indian Country. Since then, funding for BIA law enforcement programs has grown by 85 percent, and Justice has provided over \$128 million in funding to construct or expand 21 detention centers serving Indian populations. Justice has also provided multi-year grant money to establish law enforcement positions under the Community Oriented Policing Services program in Indian Country.

Because of the magnitude of challenges that existed in 1999 and that continue to today, law enforcement in Indian Country remains a critical issue in 2006. Crime rates in Indian Country far exceed the national average. Further, in September 2004, the Office of the Inspector General released an assessment of Indian detention facilities that documented poor conditions at many existing BIA and tribal detention centers. The IG report made 25 recommendations to correct deficiencies that impact the safety and security of detention center staff and inmates.

To address several of the recommendations contained in the IG report, the 2006 request includes a \$19.2 million increase for law enforcement in Indian Country. The funding will provide an additional \$4.4 million for detention center facilities improvements and repairs, almost doubling the program and allowing full renovation of three facilities and major rehabilitation at several other sites. The request provides an increase of \$4.1 million for staffing at four new detention centers being built by Tribes with Justice grants that will be certified for occupancy in 2006, and \$3.2 million for facility operations and maintenance funding for the 19 detention centers built with Justice grants since 2001. The proposal also provides \$5.0 million to contract for placement of arrested and convicted individuals, both adult and juvenile, in safe and secure environments that meet national standards for detention facilities when adequate BIA facilities are not available.

To address law enforcement operations, the budget proposes an additional \$2.5 million for 33 law enforcement officers, both BIA and tribal, to improve law enforcement presence in areas with high levels of violent crime in Indian Country along the southwest border and the Pacific northwest.

*The No Child Left Behind Act is the President's commitment that all federally funded schools must provide students with a quality education. The BIA students and parents can expect that our schools also will carry forward that vision.*

*Secretary Gale A. Norton, March 25, 2004*

## INDIAN EDUCATION

Providing quality educational opportunities from early childhood through adulthood is a key BIA goal. Education is the cornerstone of a viable and prosperous future for tribal governments and Native Americans. Almost 48,000 students in 23 States attend the 184 elementary and secondary schools that form the BIA school system. The BIA operates one-third of these schools. The other two-thirds are operated under contracts or grants to Tribes or other tribal organizations. In addition to primary and secondary education, the BIA budget also supports higher education in Indian Country, complementing funds from the Department of Education and other sources.

In January 2002, the President signed into law the No Child Left Behind Act, a landmark education legislation that will help strengthen BIA-funded schools through several components, including a provision that extends funding eligibility for Department of Education reading programs to the BIA school system. The BIA is working in partnership with tribal representatives to fully implement the Act, with the goals of increased accountability and student achievement at all BIA schools. Implementation of the Act, together with a strong school construction program, will ensure that Indian children receive a quality education in a safe learning environment.

**Leadership Academies** — As a complement to

BIA's implementation of the No Child Left Behind Act, and recognizing the special needs of Indian children, BIA is also working with Tribes to pilot a new learning philosophy under the umbrella of a pilot program to turn BIA schools into leadership academies. Through leadership academies, BIA hopes to instill in students a life-long desire and aptitude for learning and encourage enrollment in and completion of post-secondary education.

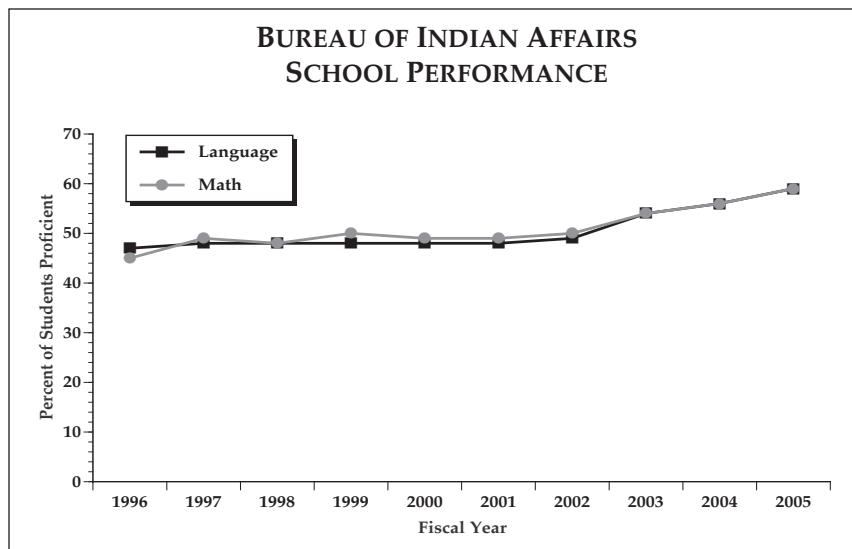
Central to the success of the leadership academies is a staff well trained in current and progressive teaching modalities and curriculum, as well as the motivational focus and environment to help students gain a positive attitude towards learning, conform to established behavior and mental discipline teachings, meet high academic standards, and learn skills required to become successful leaders in their community.

Although some BIA schools have experienced improvements in student achievement, 117 of the 184 schools

have failed to make adequate yearly progress as required by the No Child Left Behind Act. To address the specific needs of Indian children, the 2006 budget includes \$2.0 million to pilot leadership academies at four BIA schools. Leadership academies elsewhere

have been successful in significantly raising the academic performance of school children and motivating them to continue their education.

Examples of successful models can be found in the IDEA charter school in Texas and the SEED school in Washington, D.C. At both these schools, the aver-



*I really believe that if we're going to be successful in economic development as Indian people, it has to start with our young people. We need to start cultivating the attitude of success. We have never taught success 101 in our school.*

Assistant Secretary Dave Anderson, July 21, 2004

age seventh grader had a fifth-grade reading level upon entry to the school. At graduation, all students participating in the program were accepted for admission to post-secondary institutions.

The BIA will employ the lessons learned from these successful models and develop a model that focuses on the cultural and educational needs of Indian children. The model will employ a specially formulated school curriculum to instill leadership skills and characteristics in students as preparation for future success both in adult learning and economic endeavors.



The BIA will engage tribal communities to sponsor leadership academies and work cooperatively with them to implement a leadership curriculum within the core mission of bureau-funded schools. The curriculum is currently under development and will be implemented in concert with the regular school curriculum through an extended school day and school year. It will include instructional elements in financial management, small business entrepreneurship, motivation, team leadership, and project management. The funding requested for 2006 will be used to hire and train additional staff, and to develop and implement the leadership academy curriculum.

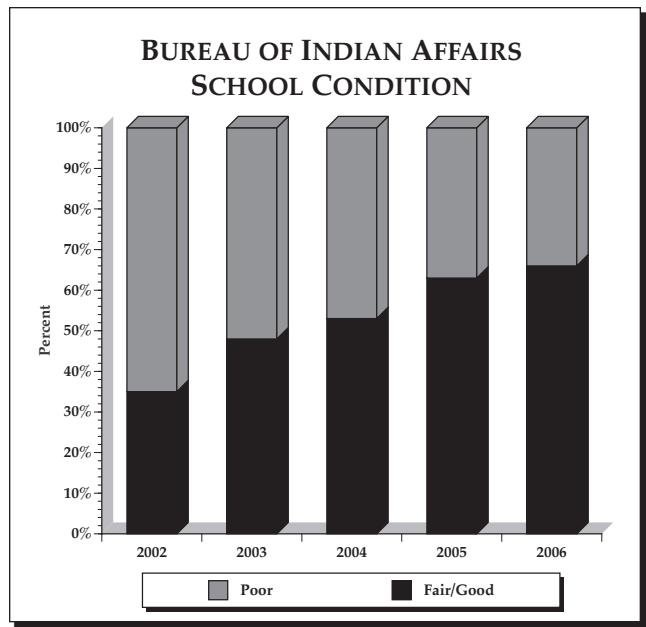
**Indian School Repair and Construction —** In the 2000 campaign, the President made a commitment to provide funding to replace, rebuild, and repair crumbling schools so Indian children would have

safe and nurturing places to learn. Between 2001 and 2005, the President and the Congress have provided \$1.4 billion for the Indian school construction program, resulting in repairs or replacements underway for all 20 schools on the 2001 BIA school replacement priority list, as well as 14 additional schools on subsequent priority lists or funded through the cost-share demonstration program.

Significant progress has been made. In 2001, 35 percent of schools were in good or fair condition and 65 percent of schools were in poor condition. After completion of the work funded through 2006, those numbers will be reversed, with 65 percent of schools in fair or good condition, showing marked improvement in the condition of schools. The facilities condition index for the BIA school system as a whole will improve from .266 to .101.

In March 2004, a new replacement school construction priority list was published in the Federal Register. The priority list identified 14 schools in need of replacement due to significant health and safety concerns. The list was developed using a process that focused on health and safety, and included visits to each school by a team of evaluators.

The 2005 appropriation will allow BIA to fund the



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remaining six schools from previous priority lists, and to fund the first school on the new list, the Dilcon Boarding School in Arizona, as well as three cost-share demonstration schools and six major facilities and improvement repair projects.

The 2006 budget for education construction totals \$173.9 million. This will provide funding for the second school on the new priority list, Porcupine Day School in South Dakota, and for phase one of a large project to replace the third school on the priority list, Crownpoint Community School in New Mexico. The funding level allows the program to focus on building the schools already funded for construction. Between 2001 and 2005, funding was appropriated for 34 replacement schools. Nine of these schools have been completed and are operating. Another 11 will be completed in 2005 and 2006.

The Education Facilities Improvement and Repair program is funded at \$128.4 million. The 2006 request will fund four major facilities and improvement projects, annual maintenance needs, and minor repair projects to address critical health and safety concerns, non-compliance with code standards, and program deficiencies at existing education facilities.

In response to PART findings, BIA has improved

efficiency and performance accountability in the school construction program by establishing the following long-term goals:

- By 2008, construct 100 percent of replacement schools in four years from planning and design through construction.
- Reduce the average cost per square foot on academic construction projects from \$198 in 2004 to \$161 in 2008, adjusted for inflation.
- Reduce excess space by 300,000 square feet annually.

## ECONOMIC DEVELOPMENT

High unemployment rates on reservations are one of the greatest challenges facing Indian Country. The 2006 budget includes \$20.8 million for job placement and training, economic development, and the guaranteed loan program. Within this amount the budget includes \$500,000 to establish an Economic Development Commission to investigate impediments to tribal business development, and develop an operational model for tribal businesses. This increase supports Indian economic development and the BIA performance goal to reduce unemployment on Indian reservations.



# PROTECTING LIVES, RESOURCES, AND PROPERTY



## WILDLAND FIRE

As it nears its fifth year, the National Fire Plan continues to provide a framework for wildland fire management across the United States. The President's Healthy Forests Initiative and the Healthy Forest Restoration Act provide key tools to achieve the goals of the plan. Working with the U.S. Forest Service, the Interior Department has met the major milestones of the National Fire Plan, and the President's Healthy Forests Initiative.

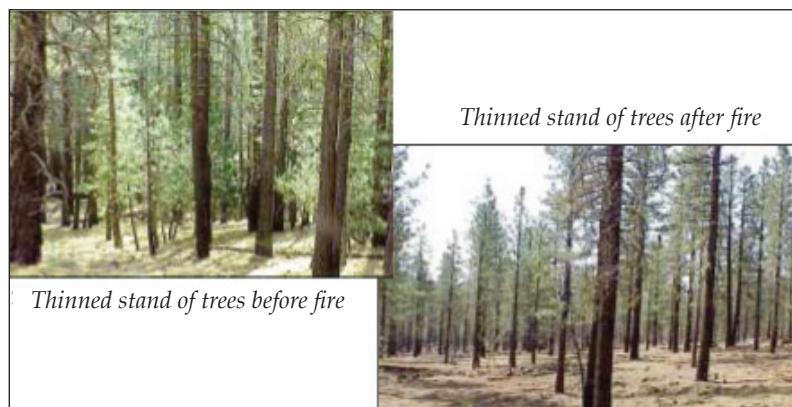
Since adoption of the plan, significant investments in preparedness resources have strengthened initial and extended attack capability. Interior's success rate for containing wildfires at initial attack increased from 92 percent in 2000 to over 98 percent in 2004. Success on initial attack helps prevent the emergence of large-scale, high cost catastrophic fires that put communities at risk.

Key technology investments, skillful management of available resources, and continued coordination and collaboration with partners will help Interior to meet its goal of suppressing over 95 percent of fires on initial attack while also improving the overall cost-effectiveness of the fire program.

Under the leadership of the Wildland Fire Leadership Council, comprising all Federal public land management agencies, the Federal Emergency Management Agency, U.S. Geological Survey, and State, tribal, and local governments, agencies have approved a number of initiatives to enhance

cost-effectiveness in wildland fire fighting. These initiatives include: setting policy and direction to incorporate cost management on large wildfires; managing resources effectively to avoid compromising initial attack response and extended attack; ensuring initial responses are always aggressive and driven by the principle of utilizing the closest appropriate resources; collaborating with non-Federal land managers to incorporate fuels management into decisionmaking and future fire cost considerations when planning resource management projects for public and private lands; and improving fire cost data infrastructure.

**Healthy Forests Initiative** — Interior has built an effective hazardous fuels reduction program to address a key underlying cause of catastrophic wildfires. The implementation and utilization of guidelines and new authorities contained in the President's Healthy Forests Initiative and the Healthy Forests Restoration Act significantly enhanced the efficiency and cost-effectiveness of the fuels program.



Approximately 190 million acres of federally managed forests, woodlands, and grasslands in the lower-48 States are at increased risk of catastrophic wildland fire. To address this challenge, the fuels program targets resources to the highest priority areas. The program increasingly is focusing on the wildland urban interface and other areas of extreme hazardous fuels buildup that pose significant risks to communities and other resources. Working with Federal, State, tribal, and local partners, fuels reduction projects are collaboratively identified and ranked.



Accomplishments in the fuels program have increased substantially in the last few years. Interior and its partners have improved project selection, contracting, and execution. In 2004, Interior agencies treated 73 percent more acres than were treated in 2001, with wildland urban interface acres now comprising nearly 40 percent of all acres, up from 23 percent in 2001.

To improve the prioritization and selection process, the program continues to invest in the LANDFIRE vegetative mapping and imaging technology. This technology will assist program managers in better identifying areas at risk to help managers more precisely target fuels reduction projects to maximize their benefits.

Of the significant fuels funding increase provided in the 2005 appropriation, the program will devote \$4.0 million to strengthen monitoring of fuels treatment projects. The ongoing results of this monitoring will also contribute to productivity and efficiency of the fuels program as program managers and specialists gain a better understanding of the effectiveness of treatment types under various conditions and share that information across the fuels program.

To build on performance and implement the President's Healthy Forests Initiative, Interior proposes a \$10.3 million program increase in hazardous fuels project funding in 2006. This increase is partially offset by a reduction of \$2.5 million in the LANDFIRE budget to normalize the development and implementation schedule.

As the Department implements the fuels program in 2006, it will continue to shift its performance focus from the number of acres treated to consider the success in treating priority acres, providing a stronger focus on reduction in risk to communities and resources. This shift will provide better measurement of program success.

In 2006, the hazardous fuels reduction program will also continue to rely extensively on contracting, helping build an infrastructure to sustain fuels reduction productivity, and support the development and growth of biomass utilization industries. In 2004, over 60 percent of fuels treatment funding was invested with contractors. Also in 2004, 37 stewardship contracts were issued with a biomass dollar value of \$2.4 million. Use of stewardship contracts is expected to double in 2005.

**Fire Program Analysis**—Working with the Forest Service, the Department is continuing to develop and implement the Fire Program Analysis system. Agencies implemented the first module in October 2004, which focuses on fire preparedness, planning, and budgeting. The module will help agencies determine optimal staff and equipment resource allocations for fire management organizations that serve interagency fire planning units. Beginning in 2005, development is expanding to address extended attack, large fire support, fuels



management, and emergency stabilization and rehabilitation. When fully developed, the FPA will provide fire agencies with an important tool for identifying cost-effective, long term budget and planning strategies that fully integrate all wildland fire management activities. The 2006 budget contains, \$4.4 million for FPA.



**Ready Reserve** — In 2005 and 2006, Interior fire bureaus will continue to stress collaboration with local fire departments to further improve the cost-effectiveness of Interior's preparedness efforts and help reduce suppression costs. The successful performance of this collaborative partnership depends heavily on the capability of local fire departments to assist in initial and extended attack.

The Department's Rural Fire Assistance program and assistance programs administered by the Forest Service and FEMA have created a locally based, geographically dispersed cadre of firefighters by equipping and training thousands of local and volunteer firefighters, providing them with the knowledge and skills needed for personal safety and initial attack. These local firefighters have been an invaluable asset in wildland fire prevention and suppression, responding to the majority of all initial attacks on wildland fires across the United States.

Interior's fire bureaus could further improve the effectiveness of their use of local firefighting resources. The response rate of local firefighters, to initially attack fires, has been phenomenal. However, they are usually relieved upon arrival of Federal and contract firefighters or if a fire escapes initial attack, because they are generally not certified for participating on larger, more severe fires.

In 2006, Interior proposes to maximize the return

on its prior RFA investments by beginning to develop a "ready reserve" to support extended attack. The budget proposes a \$1.9 million increase in the Preparedness program to begin a systematic training program to expand the pool of local firefighters available for extended attack. Ultimately, this expanded program will develop local Type III teams. Further enhancing local capacity will reduce the Department's reliance on the more expensive alternative of transporting Federal and contracted firefighters from other regions of the country.

The 2006 budget reorients funds from the separate RFA account to the "ready reserve" preparedness investment account. However, the budget assumes that financial and technical assistance provided by the much larger Forest Service and FEMA fire assistance programs will address the highest priority equipment and basic training needs of local fire departments.

**Fire Aviation Safety** — During the 2004 fire season, Interior and the Department of Agriculture removed 33 large air tankers from wildland firefighting missions due to findings that the safety of these aircraft for firefighting could not be assured. To maintain critical fire aviation capability, the fire program replaced these aircraft with additional single engine air tankers and helicopters. Although some air tankers have been returned to service, Interior expects to continue to operate in the future with fewer heavy air tankers. An increase of \$5.0 million is proposed for Preparedness to cover the 2006 cost of the reconfigured aviation fleet.



**Suppression Cost Containment** — The budget proposes an increase of \$15.7 million to fund suppression operations in 2006 at the 10-year average updated to include the 2004 fire season.

Federal fire agencies continue to look for opportunities to contain suppression costs, both at individual fire incidents and, more broadly, by examining overall land management strategies and decision structures. The departments have considered the findings of a Strategic Issues Panel on Fire Suppression Costs, convened by the Wildland Fire Leadership Council, and approved implementation of six of the panel's recommendations. The departments will continue to assign large-fire cost review teams to analyze the cost efficiency of various aspects of fire suppression.

## LAW ENFORCEMENT

Interior's law enforcement and security cadre includes over 4,400 commissioned officers, the third largest in the Federal government, with responsibilities to protect against illegal activities on over 507 million acres to ensure the safety of the visiting public, employees, and communities in Indian Country. These law enforcement, security, and emergency management professionals are working toward full implementation of 25 law enforcement directives that emerged from an assessment completed by the Office of Inspector General in 2002.

In collaboration with the bureaus and others, Interior has conducted a series of security and law enforcement program reviews that have provided the basis for management reforms and strategic budget increases. The Interior law enforcement and security community is bringing greater leadership, unity, and integration to budget formulation.

Interior's law enforcement community has increased coordination in the field, and with other Federal agencies, is implementing uniform strategic planning, leveraging resources, improving communications and dispatching operations, and setting priorities on a Department-wide basis. As a result, the Department is enhancing safety for law enforcement officers, other Interior employees, and the public.

Emphasis on these positive changes continue in the 2006 proposal, which includes \$613.4 million, an increase of \$32.8 million over the 2005 enacted level of \$580.7 million. Budget increases focus on strengthening security improvements at facilities designated as critical infrastructure, particular dams operated by the Bureau of Reclamation; staffing to protect employees, visitors, and resources at

high-risk locations; BIA detention center operations and maintenance; and improved internal affairs and evaluation support for law enforcement programs Department-wide.

A key priority of the Department is the completion of security improvements to protect designated critical infrastructure facilities and key resources. Interior continues to coordinate closely with the Department of Homeland Security to identify and implement security improvements at high-risk dams and monuments. The budget includes an increase of \$6.8 million for Reclamation to improve the security of its highest-priority dams from terrorist attack.

Interior agencies continue to prioritize the need to strengthen on-the-ground programs based on the degree of threat and the importance or vulnerability of facilities, staffing, programs, and resources. The budget request includes \$6.2 million to address areas where unacceptable threats of violence remain. The BLM budget includes \$1.0 million to increase law enforcement in the Four Corners area of Arizona, Colorado, New Mexico, and Utah. The FWS is requesting \$1.4 million for law enforcement officers in the highest priority



refuge areas, and \$700,000 for greater field agent presence. To strengthen law enforcement in the highest-risk areas of Indian Country, BIA is requesting an additional \$2.5 million.

As described in the Serving Tribal Communities section of this chapter, the 2006 budget request for BIA also includes an increase of \$16.7 million for detention centers to support detention operations and address facility conditions.

Consistent, timely, and accurate reporting of law enforcement incidents is critically important for risk

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analysis and the deployment of law enforcement personnel and resources. The Incident Management, Analysis, and Reporting System, hosted by the National Park Service, has been selected as the platform for Department-wide incident reporting. The 2006 budget proposes incremental funding increases to continue to deploy IMARS, including \$1.2 million requested by FWS and includes continued funding of the NPS component from fees.

A strong professional responsibility program is critical to ensure that all Interior law enforcement personnel, and those who supervise law enforcement officers, are held accountable to the highest standards of professional conduct and integrity. An essential component of such a program is an internal affairs capability that enables each law enforcement component to conduct thorough and impartial investigations into allegations of misconduct. To strengthen this capability in FWS, the budget includes \$555,000 for internal affairs

positions in the refuge and law enforcement programs. The Departmental Management request includes \$510,000 for professional responsibility, compliance, and internal affairs staff, which will enable the Department to establish appropriate standards for internal affairs and other law enforcement programs, and to ensure compliance with those standards.

Finally, in a post September 11<sup>th</sup> environment, Interior must have a strong capability to gather, share, and analyze information relating to its infrastructure and icon protection, border security, emergency management, and a myriad of law enforcement responsibilities. The Departmental Management request includes \$190,000 to carry out these responsibilities and provide effective sharing of classified and law enforcement sensitive information with the Department of Homeland Security, Justice Department, and other components of the law enforcement and intelligence communities.



## SCIENCE FOR COMMUNITIES

Dedicated and highly skilled geologists, geophysicists, and other scientists are working to protect and preserve our natural resources and environment, keeping us safe from natural disasters and promote our appreciation for the beauty and grandeur of nature.

*President George W. Bush*

Science is a foundation for the Department of the Interior's land management decisions, supporting work to achieve resource protection, resource use, recreation, and serving community goals. The 2006 budget continues science programs that generate relevant, objective information for land managers and for communities throughout the Nation by proposing \$933.5 million for the U.S. Geological Survey.

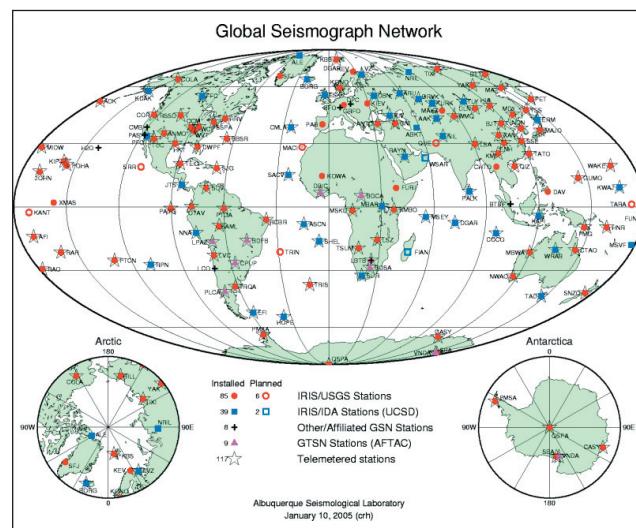
The USGS is Interior's primary source of scientific research, earth sciences data, and other geologic and mapping information. The majority of USGS funding contributes to meeting Interior's serving communities goal. The USGS outcomes and measures for this goal focus on providing science to customers that address the Nation's complex land and resource management problems. The ultimate outcome is information to support decisions, set priorities, reduce risk from natural hazards, and monitor land conditions. Decisionmakers and scientists in other bureaus rely on USGS for objective scientific results and well-designed application programs to translate the information to specific land use or resource decisions.

Major areas of emphasis for USGS science in 2006 include funding to improve the USGS earthquake monitoring capability to support an expanded tsunami warning system; strengthen volcano monitoring; ensure the continuation of Landsat imagery in the near term and for the future; and enhance the interdisciplinary research in Puget Sound on watershed and marine ecosystems.

**Tsunami Warning System**—Drawing on lessons from the December 26, 2004 tsunami that caused such massive devastation in Indonesia, Thailand,

India, and Sri Lanka, the Administration proposes to commit \$37.5 million in 2005 and 2006 to expand U.S. tsunami detection and monitoring capabilities. Investments by USGS and the National Oceanic and Atmospheric Administration will strengthen the existing tsunami warning system in the Pacific and add new systems in the Atlantic, Caribbean, and Gulf of Mexico. These measures will provide nearly 100 percent detection capability for a tsunami with the potential to affect the United States.

The USGS will contribute to this initiative by improving and expanding the Global Seismographic Network to provide more robust detection and notification of earthquakes that could trigger tsunamis. The USGS will also enhance the capability of the National Earthquake Information Center to provide faster notification of earthquakes in and near the United States and its territories. These improvements and enhancements will be funded



by a 2005 supplemental funding request of \$8.1 million and a 2006 request of \$5.4 million.

The work that USGS will undertake as part of the tsunami initiative will additionally have the benefit of improving its seismic monitoring and information delivery as a whole, which will benefit the reporting of earthquakes nationwide. This will result in a more rapid, real-time earthquake detection and notification system, improved algorithms for shake maps, finite fault modeling, rapid aftershock identification, and a decrease in the reporting time of global earthquakes from just over an hour to about 20 minutes.

**Increased Volcano Monitoring**—Each year, on average, five to ten U.S. volcanoes exhibit unrest that consists of some combination of ground deformation, earthquakes, increased emission of volcanic ash, or increased hydrothermal activity. Periods of unrest may or may not develop into eruptions; but on average, one eruption occurs in Alaska every two years, one in the Cascades every decade, and the Kilauea Volcano in Hawaii has been erupting continuously for the last 20 years. Today, Mount Saint Helens exhibits continued activity and there are increasing signs of unrest at Mauna Loa, Yellowstone, and Three Sisters in Oregon. Globally, there are about 1,500 active volcanoes.

The USGS currently monitors 51 volcanoes in the United States and its territories. The USGS has a long-term goal of monitoring all the potentially active volcanoes in the United States to improve the forecasting and warning of volcanic events. An immediate goal of the USGS is to provide the volcanic information necessary to assist communities in managing potential risks. The 2006 budget proposes an increase of \$864,000 to enhance



monitoring at the most active volcanoes within the United States, presenting the greatest risk to property and safety.

**Land Remote Sensing**—For more than 30 years, Landsat satellites have collected data of the Earth's continental surfaces to support global change research and applications. This data constitutes the longest continuous record of the Earth's surface as seen from space. By imaging Earth's land environment at a resolution sufficient to record the impacts of human activities, Landsat complements U.S. global imagers.



Landsat data is important for a variety of scientific, land management, and commercial activities including wildland fire management, detecting and monitoring invasive plant species in remote regions, assessing water volume in snow pack and large western aquifers, assessing the stewardship of Federal grazing lands, monitoring the land use/land change in remote regions, global crop monitoring, and global mapping.

The first satellite in the Landsat family, Landsat 1, was launched in 1972. Landsat 7, the most recent, was launched in April 1999. Although Landsat 7 continues to operate, the data that it displays is flawed due to the failure of its scan line corrector. This results in images with area gaps that affect about 25 percent of the image data.

The scan line corrector anomaly increases the importance of the Landsat Data Continuity Mission, which represents the next phase of the Landsat program. The LDCM will acquire and deliver highly calibrated, medium-spatial-resolution remotely sensed data, continuing the legacy of

continuous collection of Landsat-like data. The LDCM will consist of an operational land imager sensor flown on two of NOAA's six satellites within the National Polar-Orbiting Environmental Satellite System. The LDCM mission is a partnership between NASA, NOAA, and USGS.

The role of USGS in the LDCM project will be to design, develop, and deploy an upgraded, ground-processing system to acquire, process, archive, and distribute Landsat data at low cost. The 2006 budget requests \$7.5 million to develop, test, and implement components of the ground system needed to download, archive, and distribute the LDCM data. The launch of one of the NPOESS satellites is expected to occur in 2009, with data products ready for distribution to the public by April of 2010.

In the interim, USGS has developed Landsat imagery products that fill in Landsat 7's scan line corrector gap with older data taken from the most recent images of the gap area. However, since the anomaly with the scan line corrector occurred, USGS has not been able to collect enough revenue through the sales of Landsat data to pay for the full costs associated with the collection and distribution of the data.

During 2004, Interior reprogrammed \$4.8 million from other activities to cover those costs. In 2005, USGS will propose reprogramming \$6.0 million to cover the shortfall. This funding level will be achieved by deferring costs on some projects until 2006. The 2006 request includes \$12.0 million for Landsat, which includes \$6.0 million to replenish the funds deferred from 2005 and \$6.0 million to cover the 2006 shortfall stemming from the failure of the scan line corrector. The arrangement will maintain the operation of Landsat 7 and the continuity of Landsat data collection.

**Puget Sound** — The health of the Puget Sound ecosystem has deteriorated as a result of pressures from a growing urban population that is expanding in rural landscapes. Nine of the ten fish and wildlife species in the region listed as endangered or threatened under the Endangered Species Act inhabit the near-shore zone of the Sound. Diking of wetlands, armoring of eroding bluffs, and discharge of pollutants, nutrients, and ballast water have resulted in loss or degradation of coastal habitats, contamination of coastal waters and sediments, declining fish and wildlife populations, and invasion of exotic species.

Today's population of nearly four million people in the Puget Sound area is projected to double in the next 50 years, and the region will require inter-disciplinary science to enable resource management that mitigates the impact of this growth on Puget Sound. To address this need, the 2006 budget proposes \$912,000 for USGS to improve its ability to provide critical scientific information to local, State, tribal, and Federal decisionmakers considering the protection and restoration of the coastal ecosystems of Puget Sound.





# Management Excellence

*In short, the status quo is not okay—that's why we are on a journey toward excellence. Our Accent on Results is helping us achieve our mission.... Our ultimate goal is results for the American public—using their tax dollars well and wisely.*

*Assistant Secretary P. Lynn Scarlett*

How well Interior employees do their jobs affects the lives of millions of Americans — whether farmers have water, whether children and grandchildren will enjoy the Nation's natural wonders, and at what cost homes can be warmed in winter. American taxpayers expect — and deserve — responsive, efficient, and cost-effective service as well as transparency and accountability from their government.

The Department and its bureaus do many things well but all face challenges. As public demands for Interior services increase — from Indian children who need schools, to visitors who seek more recreation opportunities — Interior must continue to find ways to enhance service and spend dollars wisely.

Fueled by the President's management agenda, the Department's Accent on Results initiative helps meet these complex challenges through:

- New approaches to workforce planning.
- Better achievement of organizational goals through improved financial and budget management tools.
- More objective and comprehensive approaches to facilities and asset management.
- Improved information technology to enhance efficiency and consistency.
- Routinely challenging managers and employees to identify better strategies for achieving improved results.

The Department and its bureaus continually implement strategies for performance improvements. The public can review Interior's progress through the annual Performance and Accountability Report and the Accent on Results report highlighting significant management and other operational improvements. Interior's progress can be measured, in part, by its progress as reflected in the Administration's management scorecard.

The 2006 budget reflects the President's management agenda through key investments in Department-wide systems and infrastructure, and redirects savings realized from more efficient management. Interior bureaus and offices are also implementing many management improvements within their base budgets that assist in maintaining or improving service levels in the context of increasing responsibilities and available funding.

## INTERIOR'S PRESIDENTIAL MANAGEMENT AGENDA SCORECARD

	SEPTEMBER 2001		DECEMBER 2003		DECEMBER 2004	
	Status	Progress	Status	Progress	Status	Progress
<b>Competitive Sourcing</b>	Red	Green	Yellow	Green	Yellow	Green
<b>Financial Management</b>	Red	Yellow	Red	Yellow	Red	Green
<b>Budget and Performance Integration</b>	Red	Green	Red	Yellow	Red	Green
<b>Strategic Management of Human Capital</b>	Red	Yellow	Red	Yellow	Yellow	Green
<b>Expanding Electronic Government</b>	Red	Yellow	Red	Yellow	Yellow	Green

## NEW APPROACHES TO WORKFORCE PLANNING

Interior's efforts to improve the management of human capital are guided by the *Strategic Human Capital Management Plan — FY 2003—2007*. Workforce plans have been developed and are guiding human resource management throughout the Department. To address law enforcement and information technology challenges, the Department realigned bureau and office organizations in these areas to enhance coordination among the bureaus. The Office of Surface Mining is just one bureau that is restructuring its workforce to meet expected changes in program focus.

In 2005, the Department implemented a revised performance management system to differentiate levels of performance and expand linkages between employee performance plans and Interior's mission and goals. In 2005, the Department will also implement new e-training capabilities.

**E-Training** — A focal point for improvements in human resources management is the effective use of technology. As part of a government-wide effort, the Department is migrating to e-government solutions, including the learning management system under the Administration's e-Training initiative. During 2005 and 2006, a new standardized learning management system will be implemented Department-wide. The system is an internet-hosted human resource management and development system that enables organizations to capture, create, manage, and share information about training requirements and gaps that will assist managers in their efforts to improve workforce productivity, accelerate critical business processes, and improve organizational performance. The system coordinates and automates the entire learning manage-

ment process and includes modules to administer performance management, link individual competency gaps to learning and development, and implement competency-based human resource processes. The budget includes \$185,000 in 2006 for operations and maintenance for e-Training.

### OSM WORKFORCE RESTRUCTURING

The OSM is restructuring its workforce to move away from its traditional oversight role to one requiring more scientific and technical capabilities and skill sets. This restructuring will lead OSM to a smaller and more efficient organization, reducing its workforce by 28 positions by 2008, with many other positions restructured.

As State programs continue to mature in a climate of budget constraints at both the State and Federal level, States are increasingly relying upon OSM to provide advanced technical assistance and technical tools. The OSM has been shifting available resources from oversight to technical assistance in recognition of this need. The technical assistance takes the form of highly trained staff; a technical innovation and professional services program that provides the most current mining and reclamation software at substantial savings; training programs; and a growing technology transfer program. These efforts have been a major factor in facilitating improved effectiveness and efficiency of the States and OSM, while coal production has continued to increase.

## PROGRAM ASSESSMENT RATING TOOL

During the past year, 17 activities were reviewed in detail using the Program Assessment Rating Tool, including three activities that had been previously reviewed. Under PART, the value of the activity's purpose, the degree of planning, the effectiveness of management, and results are all evaluated. In this year's round of detailed assessments, ten of the activities received a rating of adequate or higher. Developing effective performance measures at this level of activity is often the most challenging aspect of the PART process, and can readily lead to a Results Not Demonstrated rating. While the Department is working to minimize such occurrences, seven of this year's PARTed activities received a Results Not Demonstrated rating and program managers will be working to determine how to better measure performance. However, two programs that were previously rated as Results Not Demonstrated were re-reviewed to receive Moderately Effective (Fish Hatchery Operations and Maintenance) and Effective (USGS National Mapping) ratings. Interior programs reviewed in 2006 include:

<u>ACTIVITY/PROGRAM</u>	<u>RATING</u>
BIA School Construction	Results Not Demonstrated
BIA Job Placement and Training	Moderately Effective
BIA Post Secondary Education — Tribal Colleges	Adequate
BIA Roads Operation and Maintenance	Results Not Demonstrated
BLM Realty and Ownership Management	Adequate
BLM Southern Nevada Public Land Management	Results Not Demonstrated
Reclamation Recreation and Concessions	Adequate
Reclamation Project Planning and Construction	Results Not Demonstrated
FWS National Fish Hatchery System	Moderately Effective
FWS Migratory Bird Program	Results Not Demonstrated
MMS Resource Evaluation and Leasing Program	Moderately Effective
NPS Cultural Resource Stewardship	Adequate
OSM Federal Regulatory and Abandoned Mine Land Program	Results Not Demonstrated
USGS National Mapping	Effective
USGS Water Information Collection and Dissemination	Moderately Effective
USGS Water Resources Research	Moderately Effective
Land and Water Conservation Fund Acquisition	Results Not Demonstrated

For a full presentation of all PART evaluations, see the *Performance and Management Assessment* volume of the President's Budget.

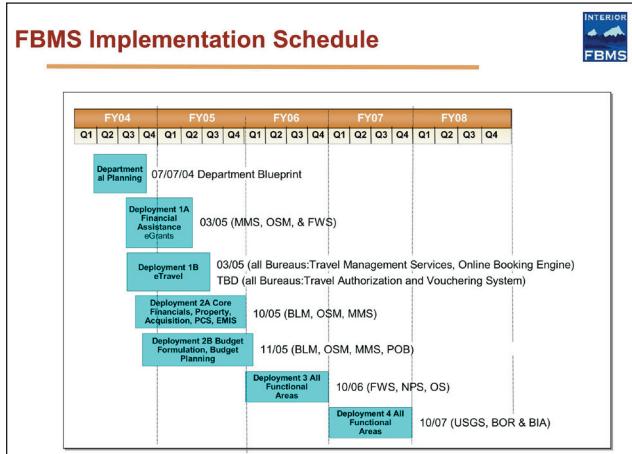
## LINKING GOALS TO BUDGET AND FINANCIAL MANAGEMENT

At the core of the President's management agenda is an effort to make budgeting decisions based on more extensive information about how dollars are used and how programs might be improved to enhance results. The Program Assessment Rating Tool, the Interior Department's integrated strategic plan, and implementation of activity based cost management across the Department all link budget and performance.

Essential to linking budgets to performance is accurate, timely, and transparent financial information. Just three years ago, Interior — like most other Federal agencies — did not close its financial books and complete its annual audit until five months after fiscal year end. For 2004, the audit was completed within 45 days of fiscal year end and received an unqualified audit opinion on the consolidated departmental financial statements for the eighth straight year. The Financial and Business Management System will be a quantum leap in the provision of timely financial and business information, such as property inventories, for Interior Department managers that will improve efficiency in mission accomplishment.

*This system will standardize our business practices across all our bureaus. What we are aiming for is a common business system that allows each bureau to perform its unique mission.*

*Deputy Assistant Secretary Nina Rose Hatfield*



The 2006 budget reflects the results of systematic reviews of base budgets to align resources with strategic goals and objectives and improve program effectiveness based on performance and cost information and the results of PART and other program evaluations. The phased deployment of FBMS, a key component of the 2006 budget, will advance budget and performance integration. The following examples demonstrate how budget and performance information has guided and shaped strategic planning and resource allocation decisions.

**Wildland Fire** — The Wildland Fire program exemplifies the use of performance information to promote resource leveraging and increased bureau coordination. On an annual basis, funds and workload are redistributed among bureaus to focus resources on achievable fuels reduction goals. Bureaus collaborated to promote faster and simpler hiring of seasonal firefighters. These efforts have also led to improved collaboration and resource leveraging with the U.S. Forest Service.

These efforts have resulted in a more productive and efficient fuels program. For example, total acreage treated increased over 70 percent between 2001 and 2004, with an even more dramatic 200 percent increase accruing in wildland urban interface acres. Program flexibility allows us to fulfill national goals even when local or regional circumstances prevent completion of scheduled fuels treatments. By identifying high-priority projects early, funds

can be shifted across bureaus and regional lines in response to scheduling changes and ensure timely and efficient expenditure of available funds.

**FWS Environmental Contaminants Program** — The 2006 budget proposes a strategic realignment of the Fish and Wildlife Service Environmental Contaminants program, refocusing efforts on restoration activities and emphasizing cooperation with Interior's Natural Resource Damage Assessment and Restoration program. The FWS will increase its restoration efforts in conjunction with the Restoration program, seeking expanded use of restoration settlement dollars held in Interior's Restoration Fund, while also accelerating restoration projects that are funded through settlement monies. The FWS will redirect Environmental Contaminants staff efforts and increase work in support of restoration actions. This strategic realignment of priorities will allow FWS to reduce appropriated funding for the Environmental Contaminants program by \$2.4 million, while increasing the numbers of acres restored by 167 percent and the number of stream or shoreline miles restored by 175 percent.

## MIGRATORY BIRD MANAGEMENT PROGRAM PART

The PART evaluation of the Fish and Wildlife Service's Migratory Bird Management program concluded that the program has a clear purpose and design and is generally well managed. The PART evaluation helped to develop a new outcome performance goal that measures the percent of migratory birds that are at healthy and sustainable levels.

Based on the PART, the 2006 budget includes a program increase of \$3.1 million to implement management plans for migratory birds of conservation concern that are below self-sustaining levels and to stabilize operational capability and increase capacity. The FWS is working with the Office of the Secretary and the Office of Management and Budget to improve the strategic planning for the program.

## FINANCIAL AND BUSINESS MANAGEMENT SYSTEM

Frustrated with administrative processes, a Bureau of Reclamation manager laments the 30 — yes, 30 — passwords needed to log onto systems that house acquisition, real property, financial, and other business information. This is the sequence: log on, enter information, log off, log onto the next system, re-enter the same — or similar — information, and log off again, and again, and again.

The Financial and Business Management System will integrate financial management, procurement, property management, and other systems and will be the basis for reengineering administrative processes throughout the Department. The FBMS will replace a combination of Departmental and bureau-managed systems for processing financial and related transactions and provide business information that will be used by managers throughout the Department.

The first deployment to three bureaus (MMS, OSM, and FWS) of the financial assistance module is scheduled for March 2005. In October 2005, the system will go-live with the core financials, property, acquisition, e-travel, and the enterprise management information system for three bureaus (BLM, MMS, and OSM). Implementation of budget formulation for these three bureaus and the Department's Office of Budget is scheduled for November 2005.

The 2006 budget includes \$23.6 million for FBMS, an increase of \$9.4 million over 2005. Projected cost avoidance and savings include: improved efficiency of operations, allowing FBMS users to do their jobs in less time, projected at \$210,000 in 2006, increasing to \$14.7 million in 2011; and decreased system maintenance costs estimated at \$365 million over the project's lifecycle.

The system will provide tangible benefits and tools for improved management throughout the Department, including creation of a complete and comprehensive property inventory, extensive real-time reporting capabilities, and integration of budget formulation with budget execution.

Interior expects this to be an extremely cost-effective way of increasing restoration activities by expanding the Department's ability to leverage additional restoration funds, while also continuing to foster close relationships with other agencies and programs.

## NEW APPROACHES TO ASSET MANAGEMENT

Interior operates at 2,400 locations across the United States and in U.S. island territories. The Department manages just about every type of facility found in America's communities — wastewater treatment plants, dams, electric generating facilities, residences, hotels, campgrounds, roads, boat docks, stables, and even landfills. Serving the public well means knowing what the Department owns and managing these assets well. The geographic range and the Department's complex and diverse mission for which assets are used combine to make facilities and asset management a challenge.

To facilitate implementation of Executive Order 13327 on Federal real property management, Interior has consolidated its leadership functions for real property, asset management, and acquisition into one organization and is developing a draft asset management plan. The plan provides the framework for the Department's holistic asset management program, focusing on the life-cycle costs of assets as well as analysis of their relative importance to the mission of the agency. The plan builds on ongoing, successful efforts to inventory facilities, assess their condition, develop standardized asset management systems, and establish performance measures. Sound asset management also requires re-examining office structures and locations to improve services and realize cost savings.

**Fleet Management** — On an annual basis, the Interior Department spends over \$160 million to operate and maintain its fleet of vehicles. The Interior fleet comprises approximately 38,000 owned and leased vehicles. In 2004, the Department began a collaborative initiative to improve fleet manage-

## ACTIVITY BASED COST MANAGEMENT — ONE OF THE KEYS TO MANAGEMENT EXCELLENCE

A keystone of budget and performance integration is activity based cost management. By tracking the costs of performing work activities, managers and employees will have more accurate information about their work. Managers will, for example, be able to ask: Why am I spending so much time on a particular permitting activity? What are the cost drivers? How can I reduce costs and deliver more results?

Although activity based cost management data collection was initiated Department-wide in 2004, bureaus are at various stages in the analysis and use of the data. Initial results are proving to be useful in improving program management.

In 2005, OSM managers, for the third year, will have activity based cost management data to review the costs of their functions and programs. The OSM generates cost reports monthly, quarterly, and annually. As the availability of data has evolved, so too has its application. For example, the activity based cost management data was used to measure the abandoned mine reclamation fee collection rate, and the cost required to achieve the desired rate. By using data to help identify areas for work process improvements, program staffing was reduced for this function and costs were contained.

ment, developed a strategic plan for fleet management, and began to implement recommendations from a review of the program conducted by the Office of Inspector General.

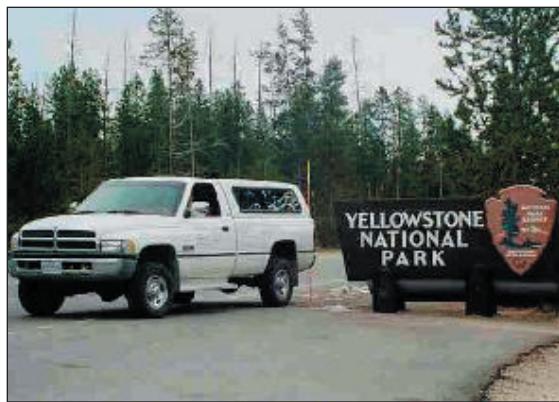
The initiative focuses on economically based strategies, including implementation of life-cycle replacement schedules, disposal of underutilized vehicles and vehicles that have surpassed their useful life, use of fleet performance measures, energy-saving practices and expanded use of alternate-fueled vehicles, and evaluation of the costs and benefits of leased versus owned vehicles. Interior's strategy includes migrating fleet management programs to a more standardized operational model within each bureau that promotes energy-saving technologies, the development of fleet composition baselines and multi-year plans, improved

performance metrics that address efficiency and effectiveness, vehicle and motor pool sharing, and purchase and lease arrangements that consider seasonal workforces.

Models for this approach already exist in the Department. The Bureau of Land Management has standardized the use of a fee-for-service arrangement that funds vehicle purchase, operation, maintenance, and replacement. The BLM is able to achieve economies of scale in vehicle purchases and lease arrangements and uses fee-for-service arrangements to promote Service First, its co-location and coordinated services initiative with the U.S. Forest Service.

Interior's improvement plan will realize cumulative annual cost savings through 2006 of \$14.7 million. Accordingly, the 2006 budget includes a decrease of \$3.7 million; this reduction follows a 2005 reduction of \$11.0 million.

**Space Management** — Annually, the Interior Department spends over \$300 million to lease space through the General Services Administration and other vendors. Recognizing the potential for improved effectiveness and efficiency, Interior and its bureaus are undertaking reforms in space management. Although the bureaus will continue to lease space throughout the country to support their diverse missions and deliver programs at the local level, space management reform will promote



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co-location and other approaches to facilitate the delivery of these services and enhance the effectiveness of programs. Improving space allocations and availability of security and employee services can also significantly improve overall morale and employee productivity.

To bring about space management reforms, the Department is evaluating centralizing within each bureau the management of leases and will consolidate dispersed space, facilitate co-location to promote interagency collaboration, and issue policies to direct more equitable allocations of space that adhere to security, safety, and health standards. The comprehensive initiative will improve consistency throughout the Department by empowering space managers to oversee bureau space programs, by issuing standard policies and procedures, and by employing multi-year plans for consolidation and co-location.

A number of bureaus are already making changes in space management to consolidate offices. As a result, they will realize short-term efficiencies and cost savings and establish a framework for achieving long-term benefits.

Because of the long-term nature of many of these leases, savings from this initiative will accrue primarily in future years. However, the 2006 budget request assumes initial savings of \$6.3 million from this initiative.

## IMPROVED INFORMATION TECHNOLOGY AND E-GOVERNMENT

Modernization of technology and practices will improve the delivery of services to citizens and optimize the use of resources throughout the Department and government-wide. The *Department's 2004-2008 E-Government Strategy* provides a framework for prioritizing e-government and information technology investments and aligning the investments with strategic priorities and the Federal enterprise architecture. The management structure developed through the strategy enables the Department to effectively manage IT investments and provides a basis for developing complementary bureau e-government strategies. The Department's proposed 2006 IT spending is \$883.0 million.

Much like the overall organizational structure of the Department, Interior's information technology solutions have traditionally been complex and diverse, decentralized, and widely dispersed. The last four years have brought about a new era in technology, with Interior moving away from a consortium of eight bureaus and multiple offices operating independent systems and services, towards standardized and integrated solutions, such as FBMS, the Enterprise Services Network, and a single messaging system. The Department uses a rigorous capital planning process and enterprise architecture to guide the migration of legacy systems to standardized and, where appropriate, centralized systems.

One of the most beneficial outcomes of the plan was creation of the Investment Review Board, a partnership of senior program executives and IT leadership, working to ensure IT investments are tied to business needs and managed as a Department-wide portfolio. This group has provided leadership in capital planning and other IT reforms.

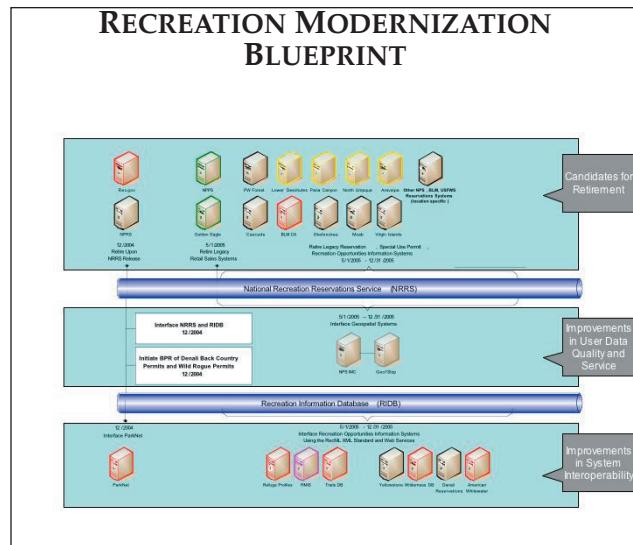
**Interior Enterprise Architecture**—In 2004, Interior established a Department-wide enterprise architecture repository containing detailed information about IT systems. The repository, which aligns with the Federal enterprise architecture, is accessible to employees throughout the Department and is used to strategically plan for development efforts, identify cross-cutting and e-government solutions, and reduce redundant systems.

The Department has developed a modernization blueprint methodology to analyze business processes, data requirements, existing systems, and planned investments to achieve improved performance. The blueprints generated by this process are reviewed and, once approved by Interior's Investment Review Board, guide capital planning and IT investment decisionmaking. For example, modernization blueprints were developed for financial management, recreation, wildland fire, and law enforcement lines of business in 2004. These four blueprints identify approximately 100 systems that will be retired in the next three years as the Department moves to enterprise investments. In 2005, the Investment Review Board will identify additional modernization blueprints to be prepared and will review and implement decisions from completed modernization blueprints. The 2006 budget includes continued funding of \$14.0 million for enterprise architecture efforts, including supporting bureau efforts.

**Enterprise Services Network**—Interior is deploying ESN to provide secure, state-of-the-art internet and intranet connections and a fully functional operational center for data communications that will be used by the entire Department. In addition to providing better services for many Interior offices, the system will provide a uniformly secure environment, standardized and efficient 24-hour/7 day operation, and improved technical support.

In 2004, Interior began to implement Phase I of ESN, which will be completed in December 2005, with deployment of a modern, integrated network backbone that supports telecommunications within the Department. This includes access to the internet, a Department-wide intranet, and a fully operational technical support center. Phase I also transitions management of the National Park Service's wide area network to managed services and thereby simplifies and modernizes a geographically dispersed and outdated architecture.

The return on investment for this system is high. Up-front investments, including the redirection of bureau telecommunication savings, will, in the long-term, result in reduced costs with elimination of duplicative networks, improved performance of data services with less "down time" for many offices, skilled and knowledgeable staff trained to operate standardized and centralized operations, and better support for e-government initiatives. The ESN will also facilitate future efforts to consolidate directory services, web hosting, messaging, data warehousing, and other applications and systems.



Phase I of ESN reduces the Department's current 13 wide area networks to one and 33 internet access points to five. For NPS, Lotus Notes maintenance sites were reduced from 253 to seven.

During 2005, the Department will also plan Phase II to expand secure connections to approximately 150 sites located primarily in large cities and approximately 1,500 hubs at other Interior locations. The 2006 budget continues funding to operate ESN and proposes an increase of \$7.0 million to implement the second phase of the project. The 2006 budget also estimates that \$27.7 million of existing legacy funding can be redirected to support ESN.

### BUSINESS GATEWAY BURDEN REDUCTION IN DOING BUSINESS WITH THE GOVERNMENT

The Department, through OSM, is the lead agency in a multi-agency, single source coal reporting project. This project, initiated at the request of the State of Pennsylvania and the Interstate Mining Compact Commission, involves 20 mineral-producing States interested in reducing the reporting burden on industry. Guided by the Business Gateway e-government initiative, OSM is developing a streamlined, cost-effective system to reduce the reporting burden on industry, and improve the efficiency of agency data collection.

Feedback has been overwhelmingly positive. Eighty percent of the companies that participated in the pilot evaluation rated the burden reduction as significant or moderate. The partner agencies estimate that single source coal reporting will save the industry \$460,000 per year in burden reduction. The same estimate showed that over its ten-year expected life, the project will deliver \$4.6 million in time savings to the industry, \$1.7 million in cost savings to State and Federal agencies, and \$780,000 in systems development cost avoidance to States, for a total of \$7.1 million in savings and cost avoidance.

## E-PAYROLL

The e-Payroll initiative simplifies and standardizes Federal payroll operations by consolidating 22 Federal payroll systems into systems managed by four government-wide providers. Developing consistent policies and procedures, the project is improving the integration of payroll, human resources, and finance functions. Interior's National Business Center is one of four government-wide providers.

Since initiation of the project in 2003, NBC has completed the migration of payroll operations for the following agencies:

- Nuclear Regulatory Commission
- Surface Transportation Board
- Millennium Challenge Corporation
- National Science Foundation
- Saint Lawrence Seaway Development Corporation
- National Aeronautics and Space Administration

Future migrations include the following agencies:

- Emergency Firefighters at Interior and U.S. Forest Service (2005)
- Department of Transportation, excluding FAA (2005)
- Federal Aviation Administration (2006)

The consolidation of payroll operations has paid dividends government-wide by improving consistency and efficiency. For Interior, the project has resulted in real costs savings in reduced average costs to bureaus for payroll processing.

### **Government-wide E-Government Initiatives**

— Interior is an active participant in many e-government initiatives, providing leadership, funding, and in-kind technical and staffing support. These initiatives strive to eliminate redundant systems and significantly improve the government's quality of customer service for citizens and businesses. The Department is the managing partner for two e-government projects — Recreation One-Stop and Geospatial One-Stop. Interior is serving as one of the government-wide service providers for the e-Payroll initiative and is a leader in the e-Authentication project.

In 2005, the Department is seeing real and tangible benefits stemming from these e-government initiatives, including implementation of e-Travel with FBMS and a learning management system under e-Training as discussed earlier.

The budget includes \$6.1 million for planning, development, and migration costs of the government-wide e-government solutions, excluding in-kind contributions.

**Information Technology Security** — The Department continues to place a high priority on strengthening its information technology security program through an integrated approach. In 2004, the Department accelerated the timeframes for completing the initial certification and accreditation of systems using government-wide standard processes, improved the content and delivery of training, and put in place consistent program reviews and testing programs.

The Department sought the guidance of, and collaborated with the Office of Inspector General, OMB, and the House Government Reform Committee and reached agreement on a new standard process for security certification and accreditation. As of November 15, 2005, Interior had significantly improved its security posture, having certified and accredited 161 of its 165 systems, or 98 percent. During 2005 and 2006, the Department and its bureaus are completing third-party reviews of completed certification and accreditations; remediating identified risks; and operationalizing processes to sustain accreditations in an efficient and effective

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manner. The 2006 budget includes \$12.8 million to support these activities Department-wide.

Operational IT security is verified through monthly external and internal scanning of networks and systems as well as review of incident reports. The vulnerability scanning serves to validate that management, operational, and technical controls are operating as anticipated as compared to an industry list of top threats. Interior has successfully eliminated instances of these vulnerabilities, as demonstrated by external scans, each month since February 2004.

## **ACHIEVING EFFICIENCIES THROUGH BETTER MANAGEMENT AND COMPETITIVE SOURCING**

Interior's Accent on Results builds upon the basic notion that management excellence requires constant vigilance. Competitive sourcing provides a means for bureaus and offices to periodically evaluate business practices and identify more effective ways to deliver service. As a result of competitive reviews already completed, bureaus and offices throughout the Department are realizing savings. In its most recent report to Congress, Interior reported savings of \$3.2 million annually from competitive reviews completed in 2004 alone, with the expectation that the annual savings will continue over at least the next five years. The report cited an additional \$1.1 million in savings from the previous year, with the expectation that the savings will continue over at least the next four years. To date, only one permanent Interior employee out of 5,032 reviewed has been involuntarily separated as a result of competitive reviews.

The NPS Southeast Archaeology Center reconfigured its operations to a more efficient workforce structure, thereby saving an estimated \$850,000 per year over five years. At the NPS Natchez Trace Parkway, facility maintenance savings resulting from a competitive review will save \$1.2 million over five years. The BLM undertook a competitive review of maintenance functions in Oregon and Washington, reorganized, and is achieving estimated savings of \$1.8 million over five years.

Management improvements come, of course, in many forms. Some improvements result from

reorganization in the context of a competitive review, some result from contracting, and some result from management efficiencies achieved through training, streamlining, elimination of duplication, and a whole suite of other management tools. These efforts spring from the diligence of Interior's entire workforce, combining management leadership at the helm with flexibility and innovation in the field.

The following examples demonstrate the kinds of activities currently underway at the Department to achieve efficiencies and to maintain and enhance program performance.

### **Streamlining BLM's Use Authorization Process**

— The BLM evaluated use authorizations, such as processing applications for permits to drill, across five programs in 2004. Using quality assurance teams, BLM reviewed the APD processes conducted at field offices to identify opportunities for employing best practices. The review is about 50 percent complete. Initial findings include 25 preliminary proposals for improving programs and generating efficiencies. The use authorization teams and the program directors are reviewing these proposals for further development, evaluating the estimates of savings and costs of implementation, and are determining potential changes to overcome impediments to implementation.

Preliminary proposals include such concepts as: standardizing and streamlining BLM's approach to environmental and cultural reviews and clearances; pursuing electronic permitting; sharing staff and work across State and field office boundaries; relocating work across such boundaries; and implementing "best practices."

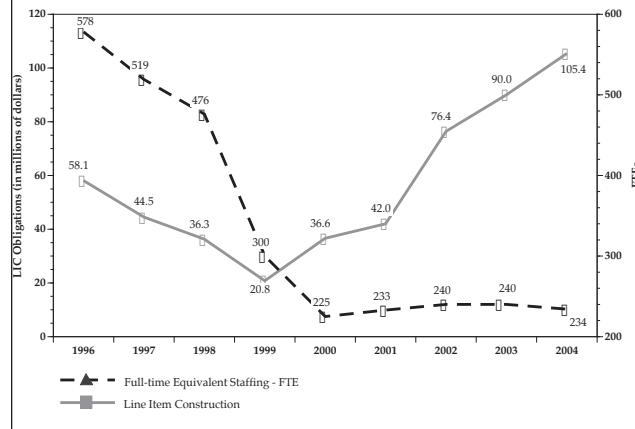
### **Efficiency Gains at the Denver Service Center**

— The NPS Denver Service Center recently reorganized into four divisions: design and construction, transportation, planning, and information management. The realignment resulted from a series of studies and analyses to determine the most efficient staffing levels to meet performance goals. The new organization is specifically designed to generate the flexibility necessary to meet increased workload, focused on project management, and leveraged by the increased use of outside contractors. The realignment eliminated competition between divisions for human and financial resources, and resulted in increased productivity in each program area without increases in FTEs or the overall budget.

Results were demonstrated in 2004, as the Center accomplished 100 percent of its design work, line item construction, and construction supervision through outside contractors. This enabled the Center to manage a much larger portion of the NPS line-item construction program without an increase in staff. By eliminating in-house design services, the Center nearly doubled capacity and in 2004 managed a program that totaled \$121.0 million in line-item construction, compared with a \$54.0 million in 2000. In 2002 and 2003, the Center maintained an obligation rate of over 60 percent, as compared to its 34 percent obligation rate in 2001. Construction awards also increased from \$42.0 million in 1998 to \$113.0 million in 2003. All of these accomplishments were achieved with a base budget of \$16.3 million, which is one percent over the 1999 level.

The 2006 request calls for an increase in funding of \$1.0 million for the planning, design, and construction functions of the Center-supported portion of the NPS line-item construction program. The Center portion of the line-item construction program has increased from \$80.0 million in 1999 to \$121.0 million in 2004, a level expected to continue to increase through 2006.

#### **COMPARISON OF DENVER SERVICE CENTER LINE-ITEM CONSTRUCTION TO FTE**



**Improving Service Delivery at BIA Schools**—The Bureau of Indian Affairs Office of Indian Education Programs held several meetings last summer with the Department of Education to explore areas where the two departments could work together to improve delivery of programs that benefit Indian students. Progress was made in the areas of school statistics collection and performance measures.

The reporting requirements of the No Child Left Behind Act requires schools to maintain student and school level data for performance assessment purposes. With grant funding and technical assistance from the Department of Education, BIA is developing a web-based system that meets the requirements of the Act.

The new school statistics system will be interoperable with the Department of Education's education data exchange network. This network will provide timely performance data at the national, State, and local levels and will be a useful tool for BIA to establish performance measures in common with other schools nationwide.

In 2006, BIA proposes a budget reduction of \$673,000 by eliminating redundant funding currently in the BIA budget for school statistics database development.

**Improving Royalty Management**—The Minerals Management Service developed Royalty-in-Kind pilot projects and compared the results with Royalty-in-Value approaches to royalty management. Although the assessments of RIK and RIV have to date been mostly qualitative, it is apparent that when used in tandem with RIV, RIK has benefits, including increased revenue going into the U.S. Treasury, reduced administrative costs, shortened transaction times, and reduced litigation.

A recent Government Accountability Office study concluded that, "There are substantial administrative savings in auditing royalty collections... attributable to RIK pilots." The MMS staffing trends for minerals revenue management support that finding. From 2000 to 2004, FTE for MRM decreased by 41, mostly in the area of offshore audits. Audit staff have been redirected to RIK and onshore/Indian lease audits.

The RIK pilots have also shortened transaction cycle time, reducing the time it takes to "close the books." The MMS shortened cycle time from three years for RIV to a 120 to 180-day range possible with RIK. There are also fewer appeals associated with RIK. Over the course of the last three years, 267 appeals have been filed and only three have been RIK-related. Finally, the Inspector General found that RIK is less vulnerable to underreporting than the RIV approach.

**Improving Reclamation's Water Management Program**—The Bureau of Reclamation has initi-

ated a multifaceted review of its water management program in order to streamline processes, improve oversight, and institutionalize management controls. The review was precipitated by cost overruns of almost 50 percent associated with the Animas La Plata project in Colorado. Reclamation is currently using information generated in the review as a basis to develop and implement actions that will prevent similar events from happening in the future.



The project planning and construction element of Reclamation's water management activities was evaluated using the PART in 2004. This exercise revealed that while the program has a long history of successfully

constructing large, complex public work projects, it does not have adequate controls in place for oversight of project development and lacks clear goals and measures to track achievement of those goals. Following up on PART recommendations will result in the development of performance metrics that will improve transparency and help focus construction dollars where they have the most benefit.

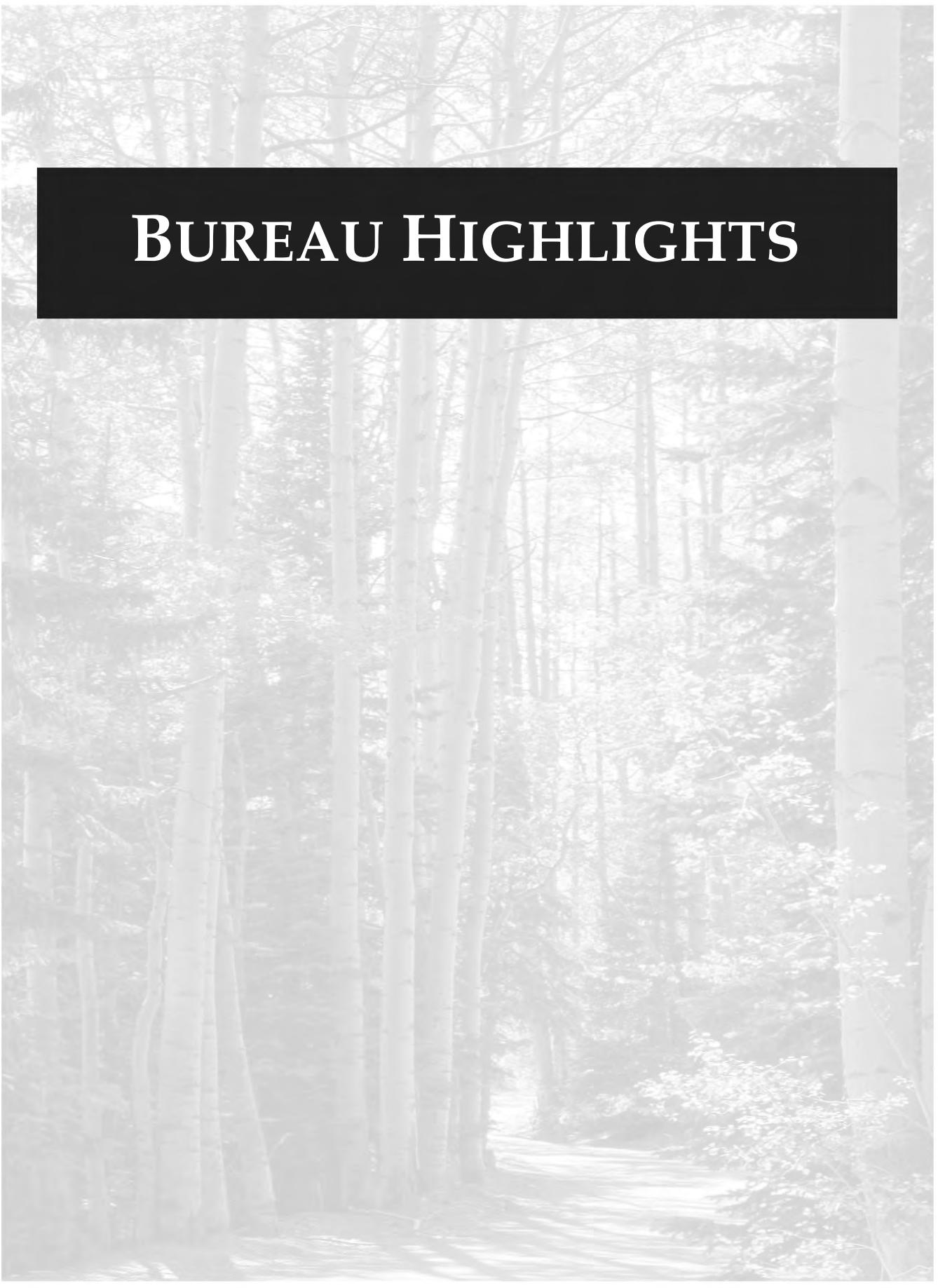
In addition, the National Research Council of the National Academies is proceeding with a review of Reclamation's organizational infrastructure as it relates to its core mission of delivering water and power. The NRC is expected to complete its review in 2005.

*Management demands are sure to increase in the years to come. Our response must be a strategic focus on efficient and careful use and management of our resources. Performance and financial management help us to create and sustain that focus, to see where we are succeeding and where we are falling short, and to adjust our tactics and processes accordingly.*

*Secretary Gale A. Norton, November 15, 2004*

*Sustaining our efforts toward management excellence requires the ongoing commitment and creativity of Interior's dedicated employees. In the upcoming year, mission, metrics, and management will continue to lie at the center of achieving results. We plan to better focus our "mission" by identifying clear goals and performance measures and aligning our workforce to better focus on those goals.*

*Assistant Secretary P. Lynn Scarlett, November 15, 2004*



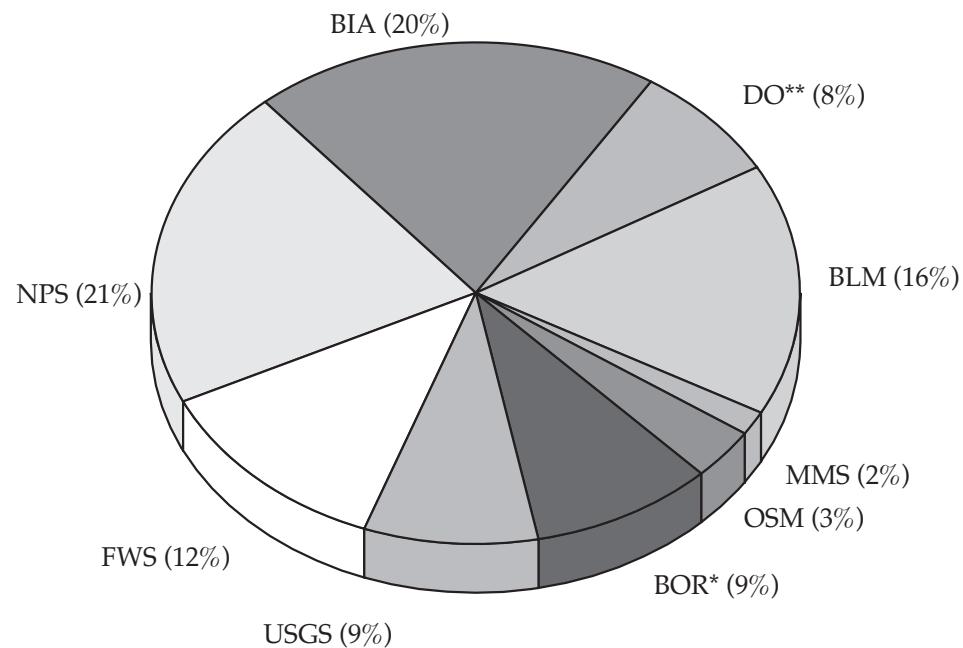
# BUREAU HIGHLIGHTS



# BUREAU HIGHLIGHTS

This section summarizes the budget requests of the Bureaus and Offices of the Department, comparing the 2006 request to the 2005 enacted budget. The graph below and the table on the following page show the allocation of the proposed 2006 budget authority to the Bureaus and Offices. Additional details on the Department's budget authority can be found in Appendix A.

## FISCAL YEAR 2006 CURRENT APPROPRIATIONS



BLM	1,749	BOR*	981	NPS	2,249
MMS	167	USGS	934	BIA	2,187
OSM	357	FWS	1,323	DO**	816

\* Includes Central Utah Project Completion Act

\*\* Includes DM, OIA, SOL, OIG, OST, & NRDA

## BUDGET AUTHORITY BY BUREAU

(in millions of dollars)

<u>Bureau</u>	<u>2004 Actual</u>	<u>2005 Estimate</u>	<u>2006 Request</u>	<u>Change</u>
<i>Current Budget Authority</i>				
Bureau of Land Management.....	1,911	1,821	1,749	-72
Minerals Management Service.....	170	174	167	-6
Office of Surface Mining Reclamation and Enforcement.....	296	297	357	+60
U.S. Geological Survey .....	938	936	934	-2
Fish and Wildlife Service .....	1,319	1,292	1,323	+31
National Park Service .....	2,267	2,315	2,249	-66
Bureau of Indian Affairs.....	2,306	2,296	2,187	-108
Departmental Offices:				
Departmental Management .....	308	319	330	+11
Insular Affairs.....	82	81	79	-2
Office of the Solicitor.....	50	52	56	+4
Office of the Inspector General .....	38	37	41	+4
Office of the Special Trustee for American Indians .....	209	228	304	+76
Natural Resource Damage Assessment and Restoration	<u>6</u>	<u>6</u>	<u>6</u>	<u>+0</u>
Subtotal, Departmental Offices .....	692	723	816	+93
National Indian Gaming Commission.....	0	0	0	+0
Bureau of Reclamation .....	943	965	947	-18
Central Utah Project Completion Act.....	<u>38</u>	<u>48</u>	<u>34</u>	<u>-13</u>
<b>Total Current BA</b> .....	<b>10,880</b>	<b>10,864</b>	<b>10,763</b>	<b>-101</b>
<i>Adjustments for Mandatory Current Accounts</i> .....	-56	-52	-42	+10
<i>Adjustment for Discretionary Offsets</i> .....	<u>-31</u>	<u>-46</u>	<u>-74</u>	<u>-28</u>
<b>Total Net Discretionary BA</b> .....	<b>10,793</b>	<b>10,766</b>	<b>10,647</b>	<b>-119</b>
<i>Total Budget Authority</i>				
Bureau of Land Management.....	2,615	3,250	2,233	-1,017
Minerals Management Service.....	1,340	2,001	1,966	-36
Office of Surface Mining Reclamation and Enforcement.....	311	364	414	+50
U.S. Geological Survey .....	940	936	934	-2
Fish and Wildlife Service .....	1,985	1,986	2,034	+48
National Park Service .....	2,560	2,614	2,557	-57
Bureau of Indian Affairs.....	2,396	2,387	2,277	-110
Departmental Offices:				
Departmental Management .....	308	319	330	+11
Insular Affairs.....	391	392	392	+0
Office of the Solicitor .....	50	52	56	+4
Office of the Inspector General .....	38	37	41	+4
Office of the Special Trustee for American Indians .....	487	527	615	+87
Natural Resource Damage Assessment and Restoration	<u>41</u>	<u>36</u>	<u>37</u>	<u>+0</u>
Subtotal, Departmental Offices .....	1,315	1,364	1,471	+107
National Indian Gaming Commission.....	8	11	12	+1
Bureau of Reclamation .....	1,017	1,068	1,027	-41
Central Utah Project Completion Act.....	<u>41</u>	<u>48</u>	<u>34</u>	<u>-13</u>
<b>Total Budget Authority</b> .....	<b>14,526</b>	<b>16,027</b>	<b>14,958</b>	<b>-1,069</b>

Notes: Numbers may not add due to rounding.

Excludes 2005 disaster supplemental funding (USGS, FWS, NPS, BOR) and amounts for fire transfers and repayments.



# BUREAU OF LAND MANAGEMENT

**Mission** — The Bureau of Land Management's mission is to sustain the health, diversity, and productivity of the public lands for the use and enjoyment of present and future generations.

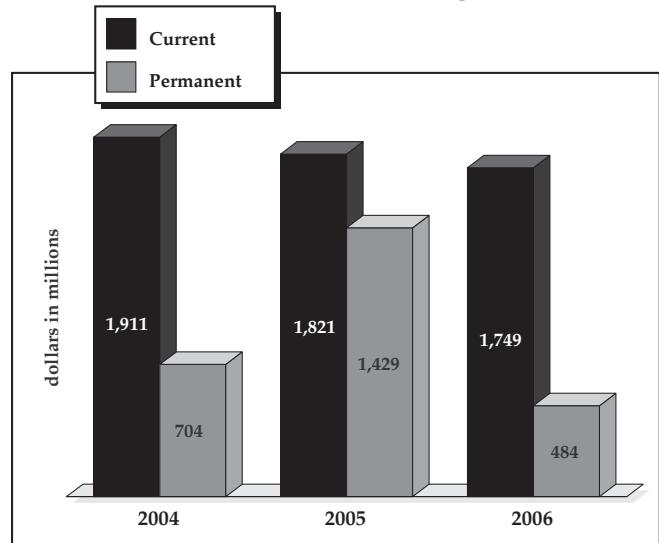
**Program Overview** — As the Nation's largest land manager, BLM is responsible for 262 million acres of public land — nearly one-eighth of all land in the United States. This year marks the 29th anniversary of the Federal Land Policy and Management Act, which gave BLM its comprehensive mission to manage the public lands for a variety of uses so as to benefit present and future generations. The BLM accomplishes this by managing for outdoor recreation, livestock grazing, energy and mineral development, and other public uses, and by conserving natural, historical, cultural, and other resources on the public lands.

Most of the country's BLM-managed public land is located in 12 western States, including Alaska. These lands, once remote, now provide the growing communities of the West with open space that gives the region much of its character. The Bureau, which has a budget of over \$1.7 billion and a workforce of over 11,000 employees, also administers 700 million acres of onshore Federal mineral estate throughout the Nation.

Bureau of Land Management customers are as diverse as the natural resources it manages. Public lands support an increasing number of visitors. In 2006, over 68 million visitors are expected to participate in recreational activities such as wildlife watching, hiking, camping, hunting, and whitewater rafting. In addition, BLM programs support the mineral industry, utility companies, ranchers, the timber industry, conservation groups, and research scientists. Bureau management activities benefit recreational and traditional land users while contributing to the viability of State and local economies. In 2006, public lands will generate an estimated \$5.0 billion in revenues, mostly from energy development. Approximately 39 percent of these receipts are provided directly to States and counties to support roads, schools, and other community needs.

**Management Excellence** — In 2006, BLM will continue to pursue implementation of the President's management

## BLM Funding



agenda for improving management and performance of the Federal government and practicing the Secretary's vision for citizen-centered management excellence.

The BLM is a leader in the implementation of activity based cost management. The BLM will continue to aggressively collect and analyze cost and performance data to look for opportunities to further improve program performance and reduce costs.

The BLM completed a comprehensive workforce plan in 2003 and is presently updating this plan for the period 2005 through 2009. The BLM's workforce planning effort is aimed at ensuring that BLM has "the right people with the right skills in the right locations at the right time" to successfully accomplish mission requirements. Workforce plans will continue to be further integrated with BLM's Budget Planning System database, thereby better aligning resource allocation and performance.

The BLM has already achieved cost efficiencies through the conduct of competitive sourcing studies, savings that

translate into greater program output and performance for the American taxpayer. For example, BLM achieved savings of more than \$700,000 as a result of direct conversions of 46 positions in the maintenance field in 2002 and 2003. Additionally, BLM estimates it will save \$1.8 million annually in labor and equipment efficiencies when the agency implements the most efficient organization proposal for maintenance activities in Washington and Oregon. The total estimated savings over the next five years, beginning in 2005, is \$9.0 million. In 2004, BLM conducted a streamlined study involving 11 FTEs in the mapping activity at the National Science and Technology Center in Denver. The BLM retained the work in-house and the estimated annual savings from the new MEO should be \$420,000 starting in 2005. For 2005, BLM received \$570,000 for contract study support and national program manager support. This should allow the agency to continue its national program support and conduct preliminary planning and competitive sourcing studies of an additional 80 to 100 FTE.

The Service First initiative, which allows cross-delegation of authorities between BLM and the U.S. Forest Service, has been highly successful in leveraging resources between the agencies. The Service First authority is set to expire in 2005. The BLM will submit a legislative proposal to extend that authority to 2006 and beyond.

**Budget Overview** — The BLM request is \$1.75 billion in current appropriations. Excluding a one-time contingent appropriation of \$98.6 million for fire suppression in 2005, this represents a \$27.1 million increase over the 2005 enacted level. Major changes from 2005 levels include a net increase of \$23.9 million in Wildland Fire Management, and a net increase of \$15.9 million in BLM's main operating accounts that will allow BLM to address its highest priority needs and commitments.

The budget does not request appropriations from the mandatory Range Improvement Fund. Instead, a legislative proposal will amend the Federal Land Policy and Management Act so that all grazing fees would be deposited in the General Fund of the Treasury for general deficit reduction. Based on priority needs, BLM will direct discretionary funding to address the highest priority range improvement projects. The budget estimates that \$3.0 million in cooperative conservation funds and \$7.0 million in deferred maintenance funds will be used for these purposes.

The 2006 budget also proposes to transfer management of the multi-bureau Central Hazardous Materials Fund from BLM to the Department. To facilitate accurate fiscal year comparisons, CHF funding is shown in Departmental Offices for all years.

**Forest Health and Timber Production** — In 2006, BLM proposes to continue to revitalize its forest management programs to accelerate efforts to improve forest health and increase timber production. The budget includes a \$1.5 million increase in the Public Domain Forest Management program that will be used to continue to rebuild program capacity, including the capacity for expanded use of stewardship contracting, and support on-the-ground projects. The increased funding will enable BLM to offer an additional four MMBF of timber for sale, inventory an additional 30,000 acres, and restore an additional 2,100 acres through a combination of sales and development.

The budget also proposes to redirect funds from the Jobs-in-the-Woods program to other Oregon and California Grant Lands programs to more aggressively and effectively address higher priorities, including offering the full Allowable Sale Quantity under the Northwest Forest Plan and supporting the plan's requirement that Late Successional Reserves be managed to stimulate old growth characteristics. A \$2.9 million increase in the O&C Forest Management program will support the thinning of 1,300 acres of LSRs to achieve old growth characteristics. This work will generate an additional 19.5 MMBF of wood products, and supports the settlement agreement in the lawsuit *American Forest Resource Council v Clarke*. To support the sale of the full ASQ under the settlement agreement, BLM must revise six resource management plans in western Oregon. The 2006 request includes an increase of \$1.5 million to continue the planning effort, which was initiated with the additional funds provided in 2005. An increase of \$1.5 million is requested in the O&C Other Forests Resources program to support habitat restoration and enhancement projects.

**Restoring Critical Landscapes and Species** — The BLM's resource protection efforts in 2006 will focus on the sage-grouse and its sagebrush habitat. For the second year in a row, BLM is proposing a significant increase in funding to support an aggressive plan of sagebrush conservation and restoration. The 2006 budget includes an increase of \$7.0 million, which builds on a \$2.7 million increase provided in 2005. Of the requested \$7.0 million increase, \$3.4 million will be matched by partner contributions under the Challenge Cost Share program.

The BLM manages half of the sage-grouse habitat remaining in the United States, about 57 million acres. A successful effort to conserve and restore this habitat demands an aggressive and expansive role by BLM. Much of this landscape is managed for multiple uses, including grazing, energy development, and recreation. Maintaining and improving the health of the sagebrush habitat to ensure viable sage-grouse populations are critical to the continued multiple use management of these lands. Implementation

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of this strategy will also benefit other at-risk species that depend on healthy sagebrush habitat.

The BLM's efforts are guided by a comprehensive plan developed in concert with Federal, State, and local partners who also have a vital role to play in implementing the plan. On November 16, 2004, BLM unveiled the final version of an interim national strategy outlining additional steps that it will take to maintain, enhance, and restore sage-grouse habitat on America's public lands. The interim strategy will guide BLM field offices until State and local level sage-grouse conservation plans developed in collaboration with State wildlife experts are completed and made part of BLM land use plans.

The 2006 BLM budget request also proposes an increase of \$6.0 million for Cooperative Conservation programs to further enhance BLM's efforts to work collaboratively with State, local, and private partners on conservation projects that benefit resources on BLM-administered lands. Of the \$6.0 million total increase, \$3.0 million will be focused on projects to improve rangeland health conditions, such as weed control, to partially replace projects currently funded through the Range Improvement Fund. In addition to these Cooperative Conservation funds that could support weed-related projects on rangelands, the 2006 BLM budget proposes an additional \$1.3 million in funding specifically dedicated to invasive weeds control and eradication. Of this \$1.3 million, \$1.0 million is in the Challenge Cost Share program, and will therefore be leveraged with non-Interior funds to treat additional acres. The \$1.3 million includes \$500,000 specifically for tamarisk control and \$500,000 specifically for leafy spurge control. The remaining \$300,000 is not targeted to particular plant species but to the entire Great Basin watershed to address the myriad of weed species that have infested this area.

The 2006 BLM budget request also includes a \$400,000 increase to expand and accelerate ongoing BLM efforts to restore habitat in the tributaries of the Columbia River basin to help in the recovery of salmon fisheries. The BLM is an active participant in the Basin-wide Salmon Recovery Strategy, an interagency effort designed to implement actions identified in the Columbia River hydropower system biological opinion's reasonable and prudent alternative.

**National Energy Policy** — In 2006, BLM will continue to play a major role in implementing the President's National Energy Policy, especially its goal of improving access to the abundant energy resources located on public lands, while continuing to assure the safe, environmentally-sound development of these resources. The BLM's Energy and Minerals program received funding increases in 2003 and 2004 in response to the increasing demand for natural gas,

and in particular, coalbed natural gas, including increases for processing applications for permits to drill and for inspection and enforcement activities.

In 2006, BLM will continue to give a high priority to the expeditious processing of applications for permits to drill. The budget will effectively increase funds available for managing energy and mineral development by an estimated \$9.0 million over the 2005 level by assessment of additional user fees. This will enable BLM to process more APDs, process APDs more quickly, and significantly reduce the number of pending APDs greater than 60 days old. The budget proposes a reduction of \$2.1 million in discretionary funding in recognition of the fees that will be collected in 2005 and 2006. A recent Program Assessment Rating Tool review of BLM's Energy and Minerals program recommended implementing increased cost recoveries as a means of improving the processing time of APDs in an environment where both appropriations and industry demand are subject to fluctuations. Past Inspector General reviews have also recommended that BLM increase cost recovery in the program.

The 2006 President's budget assumes enactment of legislation to open the Arctic National Wildlife Refuge to exploration and development, with the first lease sale held in 2007 generating an estimated \$2.4 billion in bonus bid revenues. If legislation authorizing ANWR development is enacted, BLM would redirect funds already included in its base budget for North Slope operations to support ANWR pre-leasing and leasing activities.

**Recreation** — The 2006 BLM budget significantly boosts funding to respond to the increasing recreational demands on BLM lands and better protect and restore the natural and cultural resources that are threatened by this increased recreational use. The proposed \$5.9 million increase includes \$2.2 million that will be matched by partner contributions under the Challenge Cost Share program.

The additional funds will be targeted primarily to improving travel and transportation planning and management, especially for off-highway vehicle use and public access. Travel management plans will need to be developed and implemented to address significant resource issues, from curbing the spread of invasive weeds to re-routing vehicles around valuable cultural resources and wildlife habitat. The BLM will also use a portion of the funding increase to enhance visitor services and improve recreation facilities and infrastructure.

**Wildland Fire Management** — The 2006 budget request proposes \$756.6 million to support the fire preparedness, suppression, fuels reduction, and burned area rehabilitation needs of the Department. Excluding a one-time

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contingent appropriation of \$98.6 million for fire suppression in 2005, this represents a \$23.9 million increase over the 2005 enacted level.

The Department continues to vigorously support the National Fire Plan by providing the budgetary resources and management improvements to maintain and enhance the Federal government's ability to reduce the loss of life and property and environmental damage caused by unwanted wildland fires.

Aggressive support for the Healthy Forests Initiative will remain a principal emphasis of Interior's fire program. The budget proposes a net program increase of \$7.8 million in the Hazardous Fuels Reduction program that will allow Interior to continue to make important progress in addressing the excessive buildup of hazardous fuel loads in our forests and rangelands that are a primary cause of catastrophic wildfires. The fuels request includes an additional \$10.3 million to support on-the-ground fuels treatments. This increase in the fuels program is partially offset by a \$2.5 million reduction for the LANDFIRE project, reflecting a one-year spike in project funding in 2005 that was used for data acquisition and modeling work to support the accelerated development schedule.

The budget proposes a \$5.0 million increase in Preparedness to support the additional costs associated with the reconfigured aviation fleet that was put into service during the 2004 fire season due to the grounding of several large airtankers for safety reasons. The additional costs of the reconfigured fleet in 2005 will be covered in the Suppression budget, as were the unanticipated costs in 2004.

The Preparedness request also includes an increase of \$1.9 million to provide advanced training and other critical support to local fire departments and fire fighters to enhance their ability to provide initial and extended attack support on wildland fires on Federal lands. This initiative is aimed at upgrading the qualifications of the thousands of local and volunteer firefighters who have already received basic training from Federal fire agencies. These firefighters represent a "ready-reserve" that, with appropriate training qualifications, can be called into service on larger fires over longer periods of time. Such participation will enhance the Federal-State-local collaborative partnership that is the key to the success of the National Fire Plan, and could help constrain overall suppression costs.

The 2006 budget reflects the elimination of Interior's pilot Rural Fire Assistance program, but the budget assumes that financial and technical assistance provided by the much larger Forest Service and Federal Emergency Management Administration fire assistance programs will

satisfactorily address the highest priority equipment and basic training needs of local fire departments.

The 2006 Fire budget includes a \$15.7 million increase to fully fund Suppression Operations at the ten-year average, providing increased assurance that Interior has readily available the necessary resources to effectively respond to an average fire season.

To accommodate higher priorities within the fire program, the budget proposes reductions of \$4.4 million and \$1.9 million for fire facilities and the Joint Fire Science program, respectively.

**Construction and Maintenance** — The 2006 budget includes \$6.5 million for BLM's construction program, the same as the 2005 request level and a decrease of \$4.9 million below the 2005 enacted level. Of the total, \$6.2 million is earmarked for 18 line item construction projects in eight States, covering improvements to such facilities and infrastructure as administrative buildings, sanitation systems, roads, bridges, and campgrounds. Site and facility priorities are determined through an evaluation of applicable health and safety issues, resource protection needs, mission support objectives, and public service goals. The construction budget also includes for the first time a request of \$266,000 for architectural and engineering services, which are currently borne by BLM's deferred maintenance program.

The 2006 request provides \$76.3 million in BLM's main operating account to address critical maintenance needs, including \$38.7 million for deferred maintenance. As previously noted, BLM will target \$7.0 million in deferred maintenance funds to capital improvement and related projects that improve rangeland health and productivity. A total of \$37.6 million is requested for annual maintenance and operations.

**Land Acquisition** — The 2006 budget proposes \$13.4 million for BLM land acquisition, an increase of \$2.2 million over the 2005 enacted level, but a reduction of \$10.7 million below the 2005 request. The request includes \$9.6 million for line-item projects that will support seven projects in six States. No funding is requested for land exchange equalization payments as sufficient prior-year carryover exists to cover this need in 2006. The BLM acquisition strategy continues to emphasize the input and participation of affected local communities and stakeholders in projects, and the use of alternative and innovative conservation tools such as easements and purchases of development rights.

**Central Hazardous Materials Fund** — The 2006 Interior budget transfers financial management of the Depart-

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ment-wide Central HAZMAT Fund from BLM to the Department. The CHF account can be found in the Departmental Offices section of this volume.

**Legislative Proposal** — In response to a recently completed PART review, the budget proposes to amend the Southern Nevada Public Land Management Act to return 70 percent of the receipts from land sales under the Act to the Treasury, where such receipts have historically been deposited. Under the Act, 15 percent of the proceeds are provided to the State of Nevada and the Southern Nevada Water Authority, and 85 percent are deposited in a special account to be used to acquire other Federal land and support resource conservation projects in Nevada.

The receipts generated from these land sales have far exceeded what was anticipated when this law was enacted. When the Act was originally passed, proceeds from land sales under the bill were estimated at roughly \$70 million per year. Sale proceeds were \$530.5 million in 2004, and are estimated to be \$1.2 billion in 2005. As a result, the available funding has outpaced land acquisition needs, and many more projects than originally anticipated are being formulated without the accountability of further consideration by Congress.

Beginning in 2006, 70 percent of all revenues from these land sales would be returned to the Treasury, and the percent of receipts deposited in the special account would be reduced to 15 percent. The proposal would not change the amount of revenue currently provided to the State of Nevada and local entities, only the portion dedicated to Federal spending in Nevada. This proposal serves the general taxpaying public while still providing about four times the level of spending in Nevada as originally anticipated in 1998.

**Other Program Changes** — The budget includes an increase of \$1.0 million to strengthen BLM law enforcement capabilities. The funds will be primarily targeted to the Four Corners area. The request includes a decrease of

\$260,000 for anticipated savings related to improved fleet management, and a decrease of \$865,000 for anticipated savings from reforming space management practices. The BLM budget reflects an additional \$1.3 million in efficiency savings related primarily to acquisition and procurement strategies and a \$1.7 million reduction for narrowband radio replacements. The BLM budget also reflects a transfer of \$2.5 million in operations funding and \$641,000 in land acquisition funding to the Department to achieve the centralization of appraisal services. The budget proposes a \$2.5 million reduction to the Wild Horse and Burro Management program to reflect efficiencies and cost-savings that have been attained since submission of the 2005 President's budget. A \$1.0 million reduction eliminates the Applications of Science program in order to fund higher priorities. In addition to the program reductions discussed above, \$19.6 million of other reductions are made possible by funding programs at levels comparable to those proposed in the 2005 request.

**Information Technology** — The Department is migrating its portfolio to enterprise business processes and technologies. A key component for successful implementation of this strategy is the Enterprise Services Network, a modern, integrated network backbone that will provide the infrastructure to integrate resources within the Department. Additionally, the 2006 budget request supports implementation of the Administration's high pay-off e-government initiatives to integrate agency operations and information technology investments.

These initiatives eliminate redundant systems and significantly improve the Federal government's quality of customer service for citizens and businesses. The BLM budget proposes a net increase of \$1.6 million for information technology improvements.

**Fixed Costs** — The budget request fully covers fixed cost increases, including \$22.7 million for BLM and \$9.2 million in the Wildland Fire Management program.

**SUMMARY OF BUREAU APPROPRIATIONS**  
**(all dollar amounts in thousands)**

***Comparison of 2006 Request with 2005 Enacted:***

	2005 Enacted FTE	2006 Request Amount	2006 Request FTE	Change from 2005 FTE	Change from 2005 Amount
<b>Appropriations</b>					
Management of Lands and Resources .....	6,440	836,826	6,431	-9	+13,351
Wildland Fire Management (FTE BLM only).....	2,607	732,684	2,607	0	+23,880
Title IV Suppression Appropriation .....	0	98,611	0	0	-98,611
Construction .....	20	11,340	20	0	-4,864
Land Acquisition.....	27	11,192	27	0	+2,158
Oregon and California Grant Lands .....	999	107,497	1,023	+24	+2,573
Range Improvements .....	62	10,000	12	-50	-10,000
Service Charges, Deposits & Forfeitures (SCDF)....	143	20,055	168	+25	+12,885
Minus SCDF Offset .....	0	-20,055	0	0	-12,885
Miscellaneous Trust Funds (Indefinite) .....	80	12,405	80	0	0
Subtotal, Appropriations ( <i>without fire</i> ) .....	7,771	989,260	7,761	-10	3,218
Subtotal, Appropriations ( <i>with fire</i> ) .....	10,378	1,820,555	10,368	-10	-71,513
<b>Permanents and Trusts</b>					
Miscellaneous Trust Funds (Mandatory).....	16	1,595	16	0	0
Miscellaneous Permanent Payments.....	23	332,546	23	0	-61,367
<b>Permanent Operating Funds</b>					
Operations and Main. of Quarters.....	1	383	1	0	0
Recreation Fee Collections .....	0	0	0	0	0
Recreation Fee Demonstration .....	108	14,000	108	0	0
Forest Ecosystems Health and Recovery .....	55	8,383	55	0	+4,982
Expenses, Road Maintenance Deposits .....	13	3,500	13	0	0
Timber Sale Pipeline Restoration Fund .....	21	4,600	21	0	+2,500
Southern Nevada Land Sales .....	41	1,016,218	41	0	-883,893
Southern Nevada Earnings on Investments.....	0	17,903	0	27,691	0
Land Sales, Deshutes County.....	0	0	0	0	0
Lincoln County Land Sales.....	5	12,300	5	900	0
Interest, Lincoln County Land Sales Act .....	0	304	0	31	-273
Stewardship Contract, Excess Receipts.....	0	1,500	0	2,000	+500
White River Oil Shale Mine (Utah Sale) .....	0	0	0	0	0
Naval Oil Shale.....	5	6,000	5	0	-6,000
Federal Land Disposal Account .....	0	10,128	0	10,128	0
Subtotal, Permanent Operating Funds .....	249	1,095,219	249	0	-883,796
Helium Fund.....	54	75,000	54	0	+82,000
Offsetting Collection.....	0	-75,000	0	-157,000	0
Working Capital Fund.....	21	32,000	21	0	0
Offsetting Collection.....	0	-32,000	0	-32,000	0
Subtotal, Permanents and Trusts .....	363	1,429,360	363	0	-945,163
Reimbursable and Other FTE.....	324	0	331	+7	
<b>TOTAL, BUREAU OF LAND MGT (<i>without fire</i>) .....</b>	<b>8,458</b>	<b>2,418,620</b>	<b>8,455</b>	<b>1,476,675</b>	<b>-3</b>
<b>TOTAL, BUREAU OF LAND MGT (<i>with fire</i>) .....</b>	<b>11,065</b>	<b>3,249,915</b>	<b>11,062</b>	<b>2,233,239</b>	<b>-3</b>
					<b>-941,945</b>
					<b>-1,016,676</b>

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**HIGHLIGHTS OF BUDGET CHANGES**  
By Appropriation Activity/Subactivity

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**APPROPRIATION: Management of Land and Resources**

	2004 Actual	2005 Enacted	2006 Request	Change from 2005 Enacted
<b>Land Resources</b>				
Soil, Water, & Air Management.....	36,038	34,738	33,343	-1,395
Rangeland Management .....	72,459	69,180	69,209	+29
Public Domain Forest Management.....	8,093	8,894	10,558	+1,664
Riparian Management.....	22,015	21,228	21,704	+476
Cultural Resources Management.....	15,479	14,925	15,240	+315
Wild Horse & Burro Management.....	29,051	39,045	36,905	-2,140
Subtotal, Land Resources.....	183,135	188,010	186,959	-1,051
<b>Wildlife &amp; Fisheries Management</b>				
Wildlife Management .....	22,387	25,063	28,587	+3,524
Fisheries Management .....	11,711	11,883	12,496	+613
Subtotal, Wildlife & Fisheries Mgt....	34,098	36,946	41,083	+4,137
<b>Threatened &amp; Endangered Species Mgt ..</b>	21,940	21,144	21,572	+428
<b>Recreation Management</b>				
Wilderness Management .....	17,673	16,431	16,806	+375
Recreation Resources Management.....	44,603	44,158	47,798	+3,640
Recreation Operations (fees) .....	0	0	0	0
Subtotal, Recreation Management....	62,276	60,589	64,604	+4,015
<b>Energy &amp; Minerals Management</b>				
Oil & Gas Management.....	88,195	87,360	87,291	-69
Coal Management .....	9,390	9,311	9,296	-15
Other Mineral Resources Mgt. ....	10,294	9,960	10,185	+225
Subtotal, Energy & Minerals Mgt. ...	107,879	106,631	106,772	+141
<b>Alaska Minerals.....</b>	2,453	3,944	2,297	-1,647
<b>Realty &amp; Ownership Management</b>				
Alaska Conveyance and Lands.....	41,920	41,974	33,598	-8,376
Cadastral Survey .....	16,691	15,590	13,866	-1,724
Land & Realty Management.....	34,635	35,059	33,681	-1,378
Subtotal, Realty & Owner Mgmt. ....	93,246	92,623	81,145	-11,478
<b>Resource Protection &amp; Maintenance</b>				
Resource Management Planning .....	48,510	48,864	49,517	+653
Resource Protection & Law Enfrmnt....	16,283	16,789	17,975	+1,186
Hazardous Materials Management .....	16,497	15,849	16,125	+276
Subtotal, Resource Prot & Maint.....	81,290	81,502	83,617	+2,115
<b>Transportation &amp; Facilities Maintenance</b>				
Operations.....	6,311	6,056	6,270	+214
Annual Maintenance .....	31,846	30,565	31,294	+729
Deferred Maintenance .....	12,349	41,192	38,727	-2,465
Infrastructure Improvement.....	31,027	0	0	0
Subtotal, Trans. & Fac. Maint. ....	81,533	77,813	76,291	-1,522
<b>Land &amp; Resource Information System ....</b>	18,757	18,062	18,217	+155

	2004 Actual	2005 Enacted	2006 Request	Change from 2005 Enacted
Mining Law Administration				
Administration .....	32,696	32,696	32,696	0
Fee Collection .....	0	0	0	0
Offsetting Fees .....	-17,273	-32,696	-32,696	0
Subtotal, Mining Law Administration	15,423	0	0	0
Workforce & Organizational Support				
Information Systems Operations .....	18,527	19,652	21,456	+1,804
Administrative Support .....	49,203	50,169	51,442	+1,273
Bureauwide Fixed Costs .....	69,330	72,346	74,727	+2,381
Subtotal, Workforce/Org Support....	137,060	142,167	147,625	+5,458
Communication Site Management				
Communications Site Management ....	2,000	2,000	2,000	0
Offsetting Fees .....	-2,000	-2,000	-2,000	0
Subtotal, Comm. Site Mgmt. ....	0	0	0	0
Grasshoppers & Mormon Crickets.....	0	0	0	0
Challenge Cost Share				
Challenge Cost Share.....	8,769	7,395	13,995	+6,600
Cooperative Conservation Initiative ...	7,407	0	6,000	+6,000
Subtotal, Challenge Cost Share .....	16,176	7,395	19,995	12,600
TOTAL APPROPRIATION .....	855,266	836,826	850,177	13,351

### ***Highlights of Budget Changes***

	<u>Amount</u> [+20,177]
Fixed Costs	-1,051
Land Resources	-1,051
<i>Soil, Water, and Air Management:</i> The budget discontinues funding for the San Pedro Partnership (-\$986) and the Applications of Science Program (-\$986). Funding will be directed at the highest priority projects to ensure the health of rangeland and forestland resources. Funding for radios will be reduced by \$71 because BLM completed the required transition from broadband to narrowband technology. A reduction of \$55 reflects additional efficiency savings in administrative functions, such as procurement and travel management. Finally, vehicle expenses will be reduced by \$9 through reductions in fleet size and improved fleet management. An increase of \$712 is provided for fixed costs.	-1,051
<i>Rangeland Management:</i> The decrease from the enacted level includes reductions for the following increases provided in 2005: \$493 for the Center for Invasive Plant Management at Montana State University, which is now capable of independent operation; \$493 for the Idaho Cooperative Weed Management program, which will continue under State leadership; and \$986 for rangeland health monitoring. Rangeland funding will be directed on a priority basis to protect the bureau's most important range resource priorities. A \$300 increase for noxious weeds management will allow BLM to inventory 40,000 acres, treat 3,300 acres, and monitor 16,000 acres of weed infested sites in sagebrush communities to enhance sage-grouse habitat. Funding for radios will be reduced by \$212 because BLM completed the required transition from broadband to narrowband technology. A reduction of \$162 reflects additional efficiency savings in administrative functions, such as procurement and travel management. Finally, vehicle expenses will be reduced by \$39 through reductions in fleet size and improved fleet management. An increase of \$2,114 is provided for fixed costs.	-1,051
<i>Public Domain Forest Management:</i> An increase of \$400 will allow the restoration of technical expertise to the field to design timber sales and stewardship contracts and promote the utilization	-1,051

	<u>Amount</u>
of biomass and small wood products. An increase of \$1,100 will be used to restore an additional 2,700 acres and offer approximately 4 MMBF of wood products for sale. Funding for radios will be reduced by \$21 because BLM completed the required transition from broadband to narrowband technology. A reduction of \$16 reflects additional efficiency savings in administrative functions, such as procurement and travel management. Finally, vehicle expenses will be reduced by \$4 through reductions in fleet size and improved fleet management. An increase of \$205 is provided for fixed costs.	
<i>Riparian Management:</i> Funding for radios will be reduced by \$59 because BLM completed the required transition from broadband to narrowband technology. A reduction of \$45 reflects additional efficiency savings in administrative functions, such as procurement and travel management. Finally, vehicle expenses will be reduced by \$10 through reductions in fleet size and improved fleet management. An increase of \$590 is provided for fixed costs.	
<i>Cultural Resources Management:</i> Funding for radios will be reduced by \$39 because BLM completed the required transition from broadband to narrowband technology. A reduction of \$30 reflects additional efficiency savings in administrative functions, such as procurement and travel management. Finally, vehicle expenses will be reduced by \$6 through reductions in fleet size and improved fleet management. An increase of \$390 is provided for fixed costs.	
<i>Wild Horse and Burro Management:</i> The BLM is proposing a reduction of \$2,500 to reflect efficiency savings achieved since submission to Congress last year of BLM's long-term plan for achieving and maintaining appropriate management levels. The efficiencies achieved in 2004 include a reduction in adoption costs of \$200 per animal. Funding for radios will be reduced by \$46 because BLM completed the required transition from broadband to narrowband technology. A reduction of \$35 reflects additional efficiency savings in administrative functions, such as procurement and travel management. Finally, vehicle expenses will be reduced by \$14 through reductions in fleet size and improved fleet management. An increase of \$455 is provided for fixed costs.	
<b>Wildlife and Fisheries Management</b>	+4,137
<i>Wildlife Management:</i> An increase of \$3,604 will allow the Bureau to aggressively address the loss of sagebrush habitat and associated impacts to the sage-grouse and other sagebrush-dependent wildlife. A decrease of \$493 reduces funding for the National Fish and Wildlife Foundation to the 2005 request level. Funding for radios will be reduced by \$52 because BLM completed the required transition from broadband to narrowband technology. A reduction of \$40 reflects additional efficiency savings in administrative functions, such as procurement and travel management. Finally, vehicle expenses will be reduced by \$10 through reductions in fleet size and improved fleet management. An increase of \$515 is provided for fixed costs.	
<i>Fisheries Management:</i> An increase of \$400 will allow the Bureau to partially address agency commitments in the Columbia Basin Federal Hydropower System basin-wide salmon recovery plan. The goals of this plan are to improve management of federally listed fish species through coordinated efforts with Federal, State, and local natural resource agencies and to restore fish habitat, fish passage, and restore in-stream habitat. Funding for radios will be reduced by \$26 because BLM completed the required transition from broadband to narrowband technology. A reduction of \$20 reflects additional efficiency savings in administrative functions, such as procurement and travel management. Finally, vehicle expenses will be reduced by \$4 through reductions in fleet size and improved fleet management. An increase of \$263 is provided for fixed costs.	
<b>Threatened and Endangered Species</b>	+428
<i>Threatened and Endangered Species Management:</i> Funding for radios will be reduced by \$53 because BLM completed the required transition from broadband to narrowband technology. A reduction of \$41 reflects additional efficiency savings in administrative functions, such as procurement and travel management. Finally, vehicle expenses will be reduced by \$8 through reductions in fleet size and improved fleet management. An increase of \$530 is provided for fixed costs.	
<b>Recreation Management</b>	+4,015
<i>Wilderness Management:</i> Funding for radios will be reduced by \$47 because BLM completed the required transition from broadband to narrowband technology. A reduction of \$36 reflects addi-	

	<u>Amount</u>
tional efficiency savings in administrative functions, such as procurement and travel management. Finally, vehicle expenses will be reduced by \$11 through reductions in fleet size and improved fleet management. An increase of \$469 is provided for fixed costs.	
<i>Recreation Resources Management:</i> An increase of \$3,693 will support the development of travel management plans and also be used for improvement of interpretative information, stewardship education, outreach efforts, and expansion of partnerships. The increase will also support the implementation of off-highway vehicle plans to reduce the spread of invasive weeds and reduce impacts to sage-grouse habitat. Funding for the Undaunted Stewardship Program is reduced by \$986. The BLM will continue to focus available resource on the highest priority needs of the Lewis and Clark six-year project plan. Funding for radios will be reduced by \$117 because BLM completed the required transition from broadband to narrowband technology. A reduction of \$89 reflects additional efficiency savings in administrative functions, such as procurement and travel management. Finally, vehicle expenses will be reduced by \$23 through reductions in fleet size and improved fleet management. An increase of \$1,162 is provided for fixed costs.	
<b>Energy and Minerals Management</b>	+141
The 2006 budget increases total budgetary resources for the Energy and Minerals Management program from an estimated 2005 level of \$108.5 million to an estimated potential 2006 level of \$117.6 million through a combination of appropriated funds and additional user fees to be derived from a proposed rulemaking that increases the rates for existing fees to a level that more closely reflects the cost of providing these services. The estimated revenue from additional user fees assumes continuing high demand for oil and gas lease transactions and drilling permits.	
<i>Oil and Gas Management:</i> The program will continue to implement the President's Energy Policy by expediting the review and approval of applications for permits to drill, monitoring subsequent well operations through the end of a well's life and performing compliance reviews and inspections. The budget includes a reduction of \$1,900 that is expected to be more than offset with additional user fees. Funding for radios will be reduced by \$226 because BLM completed the required transition from broadband to narrowband technology. A reduction of \$173 reflects additional efficiency savings in administrative functions, such as procurement and travel management. Finally, vehicle expenses will be reduced by \$27 through reductions in fleet size and improved fleet management. An increase of \$2,257 is provided for fixed costs.	
<i>Coal Management:</i> High priority energy tasks include processing current leases, resolving the conflicts between coalbed methane and coal development; reviewing leasing processes to expedite coal leasing; and reviewing and revising of the royalty rate guidelines to streamline the approval process. A reduction of \$194 is expected to be offset with additional user fees. Funding for radios will be reduced by \$22 because BLM completed the required transition from broadband to narrowband technology. A reduction of \$17 reflects additional efficiency savings in administrative functions, such as procurement and travel management. Finally, vehicle expenses will be reduced by \$2 through reductions in fleet size and improved fleet management. An increase of \$220 is provided for fixed costs.	
<i>Other Mineral Resources Management:</i> Funding for radios will be reduced by \$28 because BLM completed the required transition from broadband to narrowband technology. A reduction of \$21 reflects additional efficiency savings in administrative functions, such as procurement and travel management. Finally, vehicle expenses will be reduced by \$3 through reductions in fleet size and improved fleet management. An increase of \$277 is provided for fixed costs.	
<b>Alaska Minerals</b>	-1,647
<i>Alaska Minerals:</i> The BLM will continue to meet its responsibilities to assess the mineral potential of all public lands in the State of Alaska. The requested decrease of \$1,685 will bring this program to the funding level requested in 2005. Funding for radios will be reduced by \$4 because BLM completed the required transition from broadband to narrowband technology. A reduction of \$3 reflects additional efficiency savings in administrative functions, such as procurement and travel management. An increase of \$45 is provided for fixed costs.	
<b>Realty and Ownership</b>	-11,478
<i>Alaska Conveyance and Lands:</i> A \$9,000 reduction reduces funding to the 2005 request level. Leg-	

	<u>Amount</u>
islation has been enacted by Congress to streamline the land conveyance process in Alaska. The Alaska Lands Transfer Acceleration Act has removed several obstacles to land transfers that were inadvertently imposed by previous legislation. The law also provides several remedies that will cut processing times and lengthy delays associated with land transfers. Funding for radios will be reduced by \$76 because BLM completed the required transition from broadband to narrowband technology. A reduction of \$58 reflects additional efficiency savings in administrative functions, such as procurement and travel management. Finally, vehicle expenses will be reduced by \$2 through reductions in fleet size and improved fleet management. An increase of \$760 is provided for fixed costs.	+760
<i>Cadastral Survey:</i> A program decrease of \$2,022 will eliminate BLM funding for a GIS project in Utah (-\$296), the Alaska Public Lands Database (-\$740), and the Recordable Disclaimer of Interest project in Alaska (-\$986). Funding for radios will be reduced by \$37 because BLM completed the required transition from broadband to narrowband technology. A reduction of \$28 reflects additional efficiency savings in administrative functions, such as procurement and travel management. Finally, vehicle expenses will be reduced by \$6 through reductions in fleet size and improved fleet management. An increase of \$369 is provided for fixed costs.	+369
<i>Land and Realty Management:</i> A program decrease of \$2,278 reflects the transfer of appraisal services to the Department. In 2005, BLM estimates it will collect more than \$11,000 in fees from applicants for rights-of-way grants, amendments and revisions, and BLM anticipates collecting an additional \$400 in 2006 as a result of revised regulations to allow recovery of additional costs, which will be implemented March 2005. Funding for radios will be reduced by \$110 because BLM completed the required transition from broadband to narrowband technology. A reduction of \$84 reflects additional efficiency savings in administrative functions, such as procurement and travel management. Finally, vehicle expenses will be reduced by \$8 through reductions in fleet size and improved fleet management. An increase of \$1,102 is provided for fixed costs.	+1,102
<b>Resource Protection and Maintenance</b>	<b>+2,115</b>
<i>Resource Management Planning:</i> Funding for radios will be reduced by \$80 because BLM completed the required transition from broadband to narrowband technology. A reduction of \$61 reflects additional efficiency savings in administrative functions, such as procurement and travel management. Finally, vehicle expenses will be reduced by \$3 through reductions in fleet size and improved fleet management. An increase of \$797 is provided for fixed costs.	+797
<i>Resource Protection and Law Enforcement:</i> An increase of \$1,000 will be used to hire new law enforcement officers and to fund agreements and initiatives with State and local agencies to protect critical resources, public land visitors, and Bureau employees. The additional funds will be directed at initiatives on public lands that focus on the Four Corners Area of Arizona, Utah, Colorado and New Mexico, to improve on-the-ground law enforcement presence, and for investigating and prosecuting upper-level traffickers in cultural and historical resources. Funding for radios will be reduced by \$24 because BLM completed the required transition from broadband to narrowband technology. A reduction of \$18 reflects additional efficiency savings in administrative functions, such as procurement and travel management. Finally, vehicle expenses will be reduced by \$14 through reductions in fleet size and improved fleet management. An increase of \$242 is provided for fixed costs.	+242
<i>Hazard Management and Resource Restoration:</i> Funding for radios will be reduced by \$34 because BLM completed the required transition from broadband to narrowband technology. A reduction of \$26 reflects additional efficiency savings in administrative functions, such as procurement and travel management. Finally, vehicle expenses will be reduced by \$6 through reductions in fleet size and improved fleet management. An increase of \$342 is provided for fixed costs.	+342
<b>Transportation and Facilities Maintenance</b>	<b>-1,522</b>
<i>Operations Maintenance:</i> Funding for radios will be reduced by \$27 because BLM completed the required transition from broadband to narrowband technology. A reduction of \$21 reflects additional efficiency savings in administrative functions, such as procurement and travel management. Finally, vehicle expenses will be reduced by \$7 through reductions in fleet size and improved fleet management. An increase of \$269 is provided for fixed costs.	+269

	<u>Amount</u>
<i>Annual Maintenance:</i> Funding for radios will be reduced by \$94 because BLM completed the required transition from broadband to narrowband technology. A reduction of \$72 reflects additional efficiency savings in administrative functions, such as procurement and travel management. Finally, vehicle expenses will be reduced by \$40 through reductions in fleet size and improved fleet management. An increase of \$935 is provided for fixed costs.	
<i>Deferred Maintenance:</i> The decrease from the enacted level includes reductions for the following increases provided in 2005: \$1,479 for NPRA abandoned well capping and \$986 for the removal of fish passage barriers. The budget estimates that \$7,000 of deferred maintenance base funds will be targeted to capital improvement and other projects that address the highest priority range improvement needs to enhance range health and productivity.	
<b>Land and Resource Information Systems</b>	+155
Funding for radios will be reduced by \$19 because BLM completed the required transition from broadband to narrowband technology. A reduction of \$14 reflects additional efficiency savings in administrative functions, such as procurement and travel management. An increase of \$188 is provided for fixed costs.	
<b>Workforce and Organizational Support</b>	+5,458
<i>Information Systems Operations:</i> An increase of \$1,638 for information technology will enable BLM to continue to implement the Department's strategy of migrating its IT portfolio to enterprise business processes and technologies, including implementation of the Enterprise Services Network. Funding for radios will be reduced by \$20 because BLM completed the required transition from broadband to narrowband technology. A reduction of \$16 reflects additional efficiency savings in administrative functions, such as procurement and travel management. An increase of \$202 is provided for fixed costs.	
<i>Administrative Support:</i> Funding for radios will be reduced by \$156 because BLM completed the required transition from broadband to narrowband technology. A reduction of \$119 reflects additional efficiency savings in administrative functions, such as procurement and travel management. Finally, vehicle expenses will be reduced by \$4 through reductions in fleet size and improved fleet management. An increase of \$1,552 is provided for fixed costs.	
<i>Bureauwide Fixed Costs:</i> A program reduction of \$834 reflects savings that will be achieved through implementation of the Department's space management initiative. An increase of \$3,215 is provided for fixed costs.	
<b>Challenge Cost Share</b>	+12,600
<i>Challenge Cost Share:</i> An increase of \$6,600 will allow BLM to more aggressively address resource protection and restoration needs in three priority areas as follows. An increase of \$3,400 will be used to continue implementation of BLM's sagebrush conservation strategy. An increase of \$2,200 will be targeted to better managing and mitigating the adverse impacts of OHV use. An increase of \$1,000 will be dedicated to noxious weed control, including \$500 for tamarisk and \$500 for leafy spurge.	
<i>Cooperative Conservation Initiative:</i> A total increase of \$6,000 is requested for CCI, of which an estimated \$3,000 will be focused on the highest priority range improvement projects to improve the health and productivity of rangelands for grazing, including invasive species treatments, riparian protection enhancement projects, sagebrush-steppe habitat improvement projects, and wildlife-friendly water developments.	

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**APPROPRIATION: Wildland Fire Management**


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	2004 Actual	2005 Enacted	2006 Request	Change from 2005 Enacted
Preparedness.....	254,180	258,939	272,852	+13,913
Suppression Operations.....	192,903	218,445	234,167	+15,722
Title IV Suppression Appropriation ....	0	98,611	0	-98,611
Other Operations				
Hazardous Fuels Reduction .....	183,896	201,409	211,220	+9,811
Burned Area Rehabilitation .....	24,198	23,939	24,476	+537
State and Local Fire Assistance .....	9,877	9,861	0	-9,861
Fire Facilities .....	12,222	12,202	7,849	-4,353
Joint Fire Science .....	7,901	7,889	6,000	-1,889
Subtotal, Other Operations.....	238,094	255,300	249,545	-5,755
Subtotal.....	685,177	831,295	756,564	-74,731
Funding Appropriated for Repayments..	98,416	0	0	0
Suppression Supplemental ( <i>DOD bill</i> ) .....	100,000	0	0	0
TOTAL APPROPRIATION ( <i>w/o transfers</i> ) ..	883,593	831,295	756,564	-74,731
Transfers for Repayments .....	-134,416			
Transfer for Jt Fire Science ( <i>from FS</i> ).....	7,900			
TOTAL APPROPRIATION ( <i>w/ transfers</i> )....	757,077	831,295	756,564	-74,731

### *Highlights of Budget Changes*

	<u>Amount</u> [+9,202]
Fixed Costs	+13,913
Preparedness	+13,913
The request includes an increase of \$5,010 to cover the additional costs in 2006 of the reconfigured aviation fleet that was implemented for safety reasons in 2004. An additional program increase of \$1,874 will support assistance to local fire departments, with an emphasis on providing advanced training to help create a ready-reserve of local firefighters qualified to participate in initial and extended attack on large fires. An increase of \$7,029 is provided for fixed costs.	+13,913
Suppression Operations	+15,722
An increase of \$15,722 will fund Suppression Operations at the 10-year average. A decrease of \$98,611 reflects a one-time appropriation for 2005 suppression costs included in Title IV of the 2005 appropriations bill.	+15,722
Other Operations	-5,755
<i>Hazardous Fuels Reduction:</i> The 2006 Wildland Fire Management budget continues to aggressively support the Healthy Forests Initiative with an increase of \$10,338 for fuels reduction treatments. A decrease of \$2,500 to the fuels program budget is made possible by reducing a one-time increase provided in 2005 to accelerate development of the LANDFIRE vegetation imaging and mapping system. An increase of \$1,973 is provided for fixed costs.	-5,755
<i>Burned Area Rehabilitation:</i> A program increase of \$337 restores the rehabilitation program to its pre-rescission level. An increase of \$200 is provided for fixed costs.	+537
<i>State and Local Fire Assistance:</i> Funding for Interior's pilot Rural Fire Assistance program is eliminated (-\$9,861). The budget assumes that local fire department's highest priority needs for Federal assistance will be met by the much larger Forest Service and Federal Emergency Management Administration grant assistance programs. In addition, Interior will begin providing assistance to local fire departments for advanced training through the Fire Preparedness program.	-9,861
<i>Fire Facilities:</i> A program reduction of \$4,353 is proposed for 2006.	-4,353
<i>Joint Fire Science:</i> A program reduction of \$1,889 is proposed for 2006.	-1,889

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**APPROPRIATION: Construction**

	2004 Actual	2005 Enacted	2006 Request	Change from 2005 Enacted
TOTAL APPROPRIATION (w/o fire).....	13,804	11,340	6,476	-4,864
Fire Repayment .....	3,514	0	0	0
TOTAL APPROPRIATION (w/ fire) .....	17,318	11,340	6,476	-4,864

***Highlights of Budget Changes***

Construction	Amount
The budget request includes \$6,210 for 18 line item construction projects in eight States to address the highest priority health, safety, and resource protection needs. A detailed list of construction projects is included in Appendix D. The construction budget also includes for the first time a request of \$266,000 for architectural and engineering services; A&E costs are currently borne by BLM's deferred maintenance program.	-4,864

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**APPROPRIATION: Land Acquisition**

	2004 Actual	2005 Enacted	2006 Request	Change from 2005 Enacted
Acquisitions .....	13,432	6,262	9,533	+3,271
Emergencies and Hardships.....	988	1,479	1,500	+21
Land Exchange Equalization Payments ..	494	493	0	-493
Acquisition Management.....	3,457	2,958	2,317	-641
TOTAL APPROPRIATION (w/o fire).....	18,371	11,192	13,350	+2,158
Fire Repayment .....	3,432	0	0	0
TOTAL APPROPRIATION (w/ fire) .....	21,803	11,192	13,350	2,158

***Highlights of Budget Changes***

Land Acquisition	Amount
<i>Land Acquisition:</i> The request includes \$9,550 for line-item projects that will support seven projects in five states (+\$3,245). A detailed list of these land acquisition projects is included in Appendix F. The BLM acquisition strategy continues to emphasize the input and participation of affected local communities and stakeholders in projects, and the use of alternative and innovative conservation tools such as easements and purchases of development rights.	+2,158

*Emergencies and Hardships:* An increase of \$21 restores the amount of the 2005 rescission.

*Land Equalization Payments:* A reduction of \$493 is possible because carryover balances will be sufficient to cover equalization payment needs in 2006.

*Acquisition Management:* A reduction of \$658 reflects the transfer of the appraisal function to the Department (-\$641) and reduced need to process land equalization payments in 2006 (-\$17).

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**APPROPRIATION: Oregon and California Grant Lands**

	2004 Actual	2005 Enacted	2006 Request	Change from 2005 Enacted
W. Oregon Resources Management .....	86,376	88,775	96,692	+7,917
W. Oregon Info. & Resources Data Sys....	2,175	2,151	2,173	+22
W. Oregon Facilities Maintenance .....	0	0	0	0
W. Oregon Trans. & Facilities Maint.....	10,777	10,619	10,903	+284
W. Oregon Construction & Acquisition...	293	291	302	+11
Jobs-in-the-Woods.....	5,736	5,661	0	-5,661
TOTAL APPROPRIATION .....	105,358	107,497	110,070	+2,573

### *Highlights of Budget Changes*

	Amount [+2,491]
Fixed Costs	+7,917
Western Oregon Resources Management	+7,917
<i>Forest Management:</i> Offering the Allowable Sale Quantity set by the Northwest Forest Plan is priority for western Oregon. An increase of \$2,946 will support thinning on 1,300 acres of O&C lands to accelerate old growth characteristics. It will also provide an additional 19.5 MMBF of wood products for public use. The additional funding allows BLM to meet the terms of the settlement agreement in the lawsuit <i>American Forest Resource Council et al v. Clarke</i> . A reduction of \$6 will be achieved through the Department's ongoing space management initiative. An increase of \$690 is provided for fixed costs.	
<i>Reforestation and Forest Development:</i> To fund the centralization of the appraisal function, \$172 will be shifted to the Department. A reduction of \$8 will be achieved through the Department's ongoing space management initiative. An increase of \$492 is provided for fixed costs.	
<i>Other Forest Resources:</i> An increase of \$1,500 will be used for additional watershed restoration, fish passage, fish habitat enhancement and recreation projects. Approximately \$500 of the increase will be used for habitat improvements in the Late Successional Reserves and national monuments. A reduction of \$14 will be achieved through the Department's ongoing space management initiative. An increase of \$961 is provided for fixed costs.	
<i>Resource Management Planning:</i> An increase of \$1,500 will support continuation of efforts to revise the six western Oregon RMPs. In particular, BLM will focus on the formal scoping process, data preparation, and analysis and synthesis of new scientific information and monitoring data. An increase of \$28 is provided for fixed costs.	
Western Oregon Information and Resource Data System	+22
<i>Information System Operations and Maintenance:</i> The focus of this program continues on the information systems required to implement the Northwest Forest Plan, including aquatic/riparian management, transportation network, survey and management requirements, and effectiveness monitoring. An increase of \$22 is provided for fixed costs.	
Western Oregon Transportation and Facilities Maintenance	+284
<i>Operations Maintenance:</i> An increase of \$59 is provided for fixed costs.	
<i>Annual Maintenance:</i> A reduction of \$3 will be achieved through the Department's ongoing space management initiative. An increase of \$228 is provided for fixed costs.	
Western Oregon Construction and Acquisition	+11
<i>Acquisition:</i> An increase of \$11 is provided for fixed costs.	

	<u>Amount</u>
Jobs-in-the-Woods	-5,661

*Jobs-in-the-Woods:* The program is proposed for elimination. The types of projects previously funded through the JITW program are now being accomplished through the Secure Rural Schools and Community Self-Determination Act of 2000. Title II of this act has infused approximately \$7 million per year for restoration work within Oregon. To address higher priorities, the budget permanently shifts JITW funding to O&C resource management programs to support increased timber production and forest health treatments, including helping meet the terms of the settlement agreement described above.

#### **APPROPRIATION: Range Improvements**

	2004 Actual	2005 Enacted	2006 Request	Change from 2005 Enacted
Improvements to Public Lands .....	7,873	7,485	0	-7,485
Farm Tenant Act Lands .....	1,527	1,915	0	-1,915
Administrative Expenses .....	600	600	0	-600
<b>TOTAL APPROPRIATION</b> .....	<b>10,000</b>	<b>10,000</b>	<b>0</b>	<b>-10,000</b>

#### *Highlights of Budget Changes*

	<u>Amount</u>
Range Improvements	-10,000

The 2006 BLM budget does not request an appropriation from the Range Improvement Fund. Legislation is proposed to amend the Federal Land Policy and Management Act so that all grazing fees would be deposited in the Treasury. The impact on range health and productivity will be fully offset with a \$3,000 increase in cooperative conservation programs and the use of \$7,000 in deferred maintenance base funding that will be targeted to these types of range improvement projects.

#### **APPROPRIATION: Service Charges, Deposits, and Forfeitures**

	2004 Actual	2005 Enacted	2006 Request	Change from 2005 Enacted
Rights-of-Way Processing / E&M Cost Recovery.....	8,088	9,865	22,750	+12,885
Adopt-a-Horse Program .....	1,008	1,225	1,225	0
Repair of Damaged Lands .....	3,462	5,000	5,000	0
Cost Recoverable Realty Cases .....	649	515	515	0
Timber Purchaser Expenses.....	74	50	50	0
Commercial Film & Photography Fees....	0	200	200	0
Copy Fees .....	3,218	3,200	3,200	0
<b>APPROPRIATION</b> .....	<b>16,499</b>	<b>20,055</b>	<b>32,940</b>	<b>+12,885</b>
<b>OFFSETS</b> .....	<b>-16,499</b>	<b>-20,055</b>	<b>-32,940</b>	<b>-12,885</b>
<b>TOTAL APPROPRIATION</b> .....	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

#### *Highlights of Budget Changes*

	<u>Amount</u>
Rights-of-Way Processing/E&M Cost Recovery	+12,885

The BLM estimates a significant increase in cost recoveries from proposed new rulemaking that establishes a fee for processing applications for permits to drill.

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**APPROPRIATION: Miscellaneous Trust Funds**

	<b>2004 Actual</b>	<b>2005 Enacted</b>	<b>2006 Request</b>	<b>Change from 2005 Enacted</b>
TOTAL APPROPRIATION .....	16,426	12,405	12,405	0



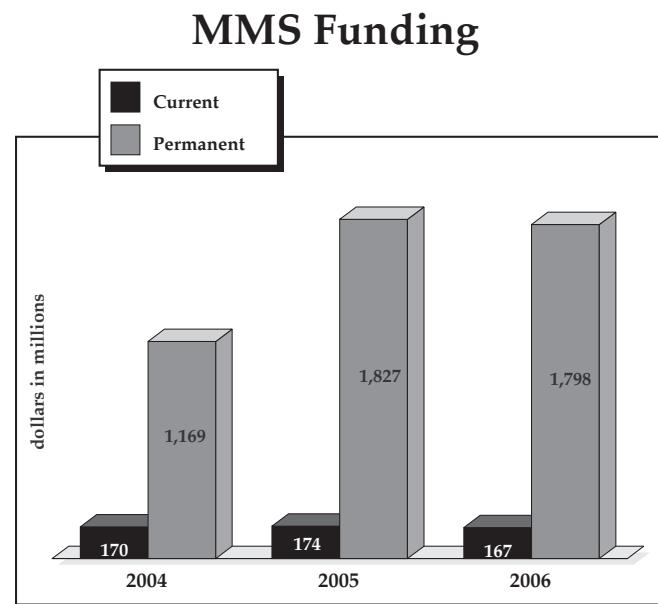


# MINERALS MANAGEMENT SERVICE

**Mission**—The Minerals Management Service was formed by Secretarial Order in 1982 to facilitate the Nation's mineral revenue collection efforts and the management of its Outer Continental Shelf offshore lands. The MMS has two major responsibilities: management of energy and mineral resources on the Nation's OCS in an environmentally sound and safe manner; and timely and accurate collection, distribution, accounting for, and auditing of revenues owed by holders of mineral leases on Federal onshore and offshore and Indian lands.

**Program Overview** — The MMS programs are vitally important, contributing significantly to the Nation's economic well-being and energy security. Energy production from the OCS helps to limit dependence on imported energy. The natural gas produced from the OCS will continue to play a key role in providing the Nation a reliable and clean-burning energy source. In 2006, MMS programs will collect an estimated \$10.8 billion in revenues from minerals produced from offshore and onshore Federal and Indian lands. This income contributes to the funding of numerous Federal programs. In addition to Federal and tribal interests, MMS also supports States and local governments through revenue sharing and by providing OCS sand and gravel for beach nourishment projects. Since 1994, increasing OCS rental revenues have permitted MMS to use receipts to cover over \$880 million in previously appropriated activities, releasing the equivalent amount of limited discretionary budget authority to address other Federal high-priority programs. The 2006 budget request will add another \$122.7 million to that total.

To ensure OCS development is carried out in an environmentally responsible manner, MMS inspects all offshore facilities, reviews plans of exploration and development, analyzes statements of financial responsibility, and funds scientific and engineering research related to OCS mineral development. The MMS also utilizes a broad range of financial services, and pursues a comprehensive compliance strategy that includes an automated compliance verification program to validate the accuracy and timeliness of revenues paid and an audit program staffed by MMS, State, and tribal auditors to ensure proper revenues are collected and disbursed.



**Management Excellence** — The MMS continues to follow the President's management agenda for improving management and performance of the Federal government, and practicing the Secretary's vision for citizen-centered management excellence. The MMS has established a permanent Evaluation Integration Council made up of senior staff from across the organization to synthesize and analyze management, cost, and performance information. The Council will report and provide recommendations quarterly to the MMS Executive Committee based on a consolidated review of MMS accomplishments.

The budget proposal supports the Department's new strategic plan, specifically in relation to the goals of managing energy resources to enhance public benefit, promoting responsible use of the Nation's resources, protecting lives and the environment in offshore operations, and ensuring that taxpayers receive optimal value for the development of those resources.

For 2006, MMS will continue to refine its activity based cost management reporting capabilities to assure that

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managers will be able to receive effective and informative data from the system. As part of 2006 budget formulation, a Program Assessment Rating Tool evaluation was conducted on the MMS Resource Evaluation and Leasing program. The assessment found that the program is well managed and demonstrates progress towards providing access to OCS lands to best meet the energy needs of the Nation. Based on the evaluation, MMS is proposing funding in 2006 to acquire new geological data and new geological assessment technologies to improve the resource evaluation process.

**Budget Overview** — The 2006 MMS budget request is \$290.2 million in current appropriations and offsetting receipts. Three permanent appropriations totaling \$1.8 billion will provide States with their statutory shares of mineral leasing revenues generated on Federal lands.

Offsetting receipts are estimated to be \$122.7 million, an increase of \$19.0 million over 2005. The request for direct appropriations is \$167.4 million, a decrease of \$6.4 million from the 2005 enacted budget. The \$12.6 million increase in overall funding will enable MMS to provide inspections in the frontier areas of the OCS; implement a records management improvement project; update Gulf of Mexico resource evaluation technologies to keep pace with the private sector; continue the Royalty-In-Kind program; and allow MMS to continue improvements in areas of Indian trust. Within the additional funding is \$3.5 million for fixed costs.

**OCS Program** — The goal of the OCS program is to provide for safe and environmentally sound energy and mineral development on the OCS and to ensure that the public receives fair market value for these resources. The MMS OCS activities contribute to the Nation's economic well-being and energy security. To carry out this goal, MMS activities include administering OCS leases, review of new exploration and development plans, examination of pipeline right-of-way applications, environmental assessments, and annual safety inspections of mineral extraction operations on-site. The MMS requests \$148.3 million in 2006 for OCS program activities, a net increase of \$63,000 above the 2005 enacted budget.

Industry continues to move further offshore into ultra-deepwater to conduct operations. In the last three years, companies have made seven new major discoveries in ultra-deepwater areas. These discoveries have been followed by the filing of additional plans for exploration and will soon require that appraisal, delineation, and development wells be drilled in proximity to the discovery, all of which require MMS inspections. The 2006 budget proposes a \$1.6 million deepwater helicopter initiative that would allow MMS inspection activity to keep pace

with increased deep water activity. The MMS contracts helicopters to transport inspectors to offshore oil and gas facilities in order to conduct mandatory inspections. These inspections ensure safety, compliance, and environmental protection.

The 2006 budget request includes an increase of \$1.0 million in support of Gulf of Mexico resource evaluation technologies. To meet the increasing challenges for exploring and developing oil and gas in frontier areas, the private sector has developed new technologies. All critical MMS resource evaluation decisions, including resource assessments, reserve estimates, fair market value determinations, field determinations, and new producible lease determinations rely on industry data obtained from these cutting edge technologies. Within this initiative, MMS is proposing to spend \$500,000 to focus on interpretive technologies in order to maintain technological parity with industry and ensure the accuracy and improved quality of interpretation, which creates better evaluations and estimates. Specifically, MMS will focus on maintaining the quality of geophysical data; effectively managing the large volume of interpretive data that needs to be processed, distributed and archived; maintaining the quality of MMS staff through technical training; and developing programs with universities and colleges to ensure future employees can work effectively with advanced technology. The MMS also proposes \$500,000 within this initiative to build a new MONTCAR tract evaluation model, which will be used to develop the principal input for fair market value estimates on which the MMS bid acceptance/rejection decisions are based. The end result will be easier, quicker revisions, better documentation, and a decreased learning curve for new staff and contractors.

**Minerals Revenue Management** — In 2006, the total Minerals Revenue Management program is funded at \$87.3 million, an increase of \$11.9 million above the 2005 enacted budget.

The goal of the MRM program is to ensure that revenue from Federal and Indian mineral leases are effectively, efficiently, and accurately collected, accounted for, and disbursed to recipients. These revenues, which have historically averaged over \$6 billion per year, are distributed and disbursed to 38 States, 41 Indian Tribes, some 30,000 American Indian mineral royalty owners, and to U.S. Treasury accounts.

The 2006 budget proposes \$9.8 million in funding for the Royalty-In-Kind program. Since the mid-1990's MMS has conducted several pilot projects to test the effectiveness of the RIK approach. These projects have demonstrated that in the correct situation taking royalty-in-kind has many

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advantages over taking it in value. These advantages include revenue enhancement, reduced administrative costs for the public and industry, conflict avoidance, and earlier receipt of royalty revenues. The proposed funding would cover administrative costs for the RIK program. In 2005, these costs are covered through receipts.

To support the Department's information technology strategic goal of implementing electronic records management by 2008, MMS is proposing a \$1.2 million initiative in 2006 to begin planning and introducing state-of-the-art technology and automated tools to address electronic records preservation and accessioning requirements. The MRM does not currently have an electronic record keeping system, and consequently expends a considerable cost for personnel time, file storage, and eventual Federal Records Center storage. The proposed funding would improve the overall management of MMS records.

The MMS has a continuing objective to provide the highest possible Indian trust service relative to its role in collecting and disbursing royalties from Indian lands to 41 Tribes and an estimated 30,000 individual Indian mineral owners. In 2006, MMS is proposing an increase of \$630,000 to fund a new cooperative agreement with the Hopi Tribe and to increase oversight of the tribal cooperative audit program.

**User Fees** — The MMS is projecting additional fee revenues, generated from a new permit-processing fee, rental rate adjustments due to inflation, and new user fees that build on fees proposed in 2005. In total, in 2006 MMS proposes to collect \$19.0 million in new user fees. These fees would be added to offsetting collections, for a total of \$122.7 million, allowing the reduction of annual appropriations by \$19.0 million.

**Oil Spill Research Program** — This program supports oil pollution research and other duties related to oil spill prevention, as authorized by the Oil Spill Pollution Act of 1990. The MMS requests total funding of \$7.0 million in 2006, level with the 2005 enacted budget. The funding will allow MMS to continue a four-year phased replacement of equipment and increased operational costs at the National Oil Spill Response Test Facility. The only one of its type in the world, the facility is a critical tool in the development of oil spill response technology by providing full-scale equipment and methodology testing in a safe, controlled environment.

**Information Technology** — The Department is migrating its portfolio to enterprise business processes and technologies. A key component for successful implementation of this strategy is the Enterprise Services Network, a modern, integrated network backbone that will provide the infrastructure to integrate resources within the Department. Additionally, the 2006 budget request supports implementation of the Administration's high pay-off e-government initiatives to integrate agency operations and information technology investments.

These initiatives eliminate redundant systems and significantly improve the Federal government's quality of customer service for citizens and businesses. The budget proposes a net increase of \$803,000 for information technology improvements.

**Other Program Changes** — The request includes a decrease of \$2.5 million for office closures, consolidation of administrative support, and other administrative savings. The 2006 budget also proposes a reduction of \$3.4 million for unrequested earmarks in 2005.

**Fixed Costs** — The budget fully funds fixed cost increases of \$3.5 million.

**SUMMARY OF BUREAU APPROPRIATIONS**  
**(all dollar amounts in thousands)**

*Comparison of 2006 Request with 2005 Enacted:*

	2005 Enacted	2006 Request	Change from 2005	
	FTE	Amount	FTE	Amount
Appropriations				
Royalty and Offshore Minerals Management.....	1,610	166,820	1,608	160,416
Oil Spill Research .....	22	7,006	22	7,006
Subtotal, Direct Appropriations.....	1,632	173,826	1,630	167,422
Offsetting Collections .....		103,730		122,730
Subtotal, Appropriations.....	1,632	277,556	1,630	290,152
Permanents and Trusts				
Mineral Leasing and Associated Payments .....	0	1,817,302	0	1,788,141
Leases of Lands Acquired for Flood Control, Navigation, and Allied Purposes.....	0	2,154	0	2,122
Nat'l. Forests Funds, Payments to State .....	0	7,910	0	7,804
Subtotal, Permanents and Trusts .....	0	1,827,366	0	1,798,067
<b>TOTAL, MINERALS MANAGEMENT SERVICE ..</b>	<b>1,632</b>	<b>2,104,922</b>	<b>1,630</b>	<b>2,088,219</b>
			<b>-2</b>	<b>-16,703</b>

*Note: Tables do not include FTE and amounts for Interior Franchise Fund.*

**HIGHLIGHTS OF BUDGET CHANGES**  
**By Appropriation Activity/Subactivity**

**APPROPRIATION: Royalty and Offshore Minerals Management**

	2004 Actual	2005 Enacted	2006 Request	Change from 2005 Enacted
Outer Continental Shelf Lands				
Leasing & Environmental Program				
Appropriation.....	16,701	16,889	15,562	-1,327
Offsetting Collections .....	20,335	20,335	22,206	+1,871
Total, Leasing & Environ. Prog. ....	37,036	37,224	37,768	+544
Resource Evaluation Program				
Appropriation.....	18,178	20,663	17,656	-3,007
Offsetting Collections .....	8,903	8,903	11,026	+2,123
Total, Resource Evaluation Prog. ....	27,081	29,566	28,682	-884
Regulatory Program				
Appropriation.....	35,022	37,073	33,317	-3,756
Offsetting Collections .....	14,443	14,443	18,449	+4,006
Total, Regulatory Program.....	49,465	51,516	51,766	+250
Information Management Program				
Appropriation.....	11,657	12,423	9,576	-2,847
Offsetting Collections .....	14,049	17,549	20,549	+3,000
Total, Info. Mgmt. Program .....	25,706	29,972	30,125	+153
OCS Appropriation.....	81,558	87,048	76,111	-10,937
OCS Offsetting Collections .....	57,730	61,230	72,230	+11,000
Subtotal, OCS Lands.....	139,288	148,278	148,341	+63

	2004 Actual	2005 Enacted	2006 Request	Change from 2005 Enacted
Minerals Revenue Management				
Compliance & Asset Management				
Appropriation.....	32,622	28,315	34,668	+6,353
Offsetting Collections .....	13,235	13,235	17,235	+4,000
Total, Valuation & Operations.....	45,857	41,550	51,903	+10,353
Revenue & Operations				
Appropriation.....	20,610	20,602	18,161	-2,441
Offsetting Collections .....	13,265	13,265	17,265	+4,000
Total, Compliance .....	33,875	33,867	35,426	+1,559
MRM Appropriation.....	53,232	48,917	52,829	+3,912
MRM Offsetting Collections .....	26,500	26,500	34,500	+8,000
Subtotal, Revenue Management.....	79,732	75,417	87,329	+11,912
General Administration				
Executive Direction				
Appropriation.....	1,049	1,057	1,086	+29
Offsetting Collections .....	1,000	1,000	1,000	0
Total, Executive Direction .....	2,049	2,057	2,086	+29
Policy & Management Improvement				
Appropriation.....	3,111	3,132	3,216	+84
Offsetting Collections .....	1,000	1,000	1,000	0
Total, Policy & Mgmt. Improve.....	4,111	4,132	4,216	+84
Administrative Operations				
Appropriation.....	15,084	15,409	15,470	+61
Offsetting Collections .....	1,555	1,555	1,555	0
Total, Admin. Operations.....	16,639	16,964	17,025	+61
General Support Services				
Appropriation.....	9,245	11,257	11,704	+447
Offsetting Collections .....	12,445	12,445	12,445	0
Total, General Support Services.....	21,690	23,702	24,149	+447
GA Appropriation.....	28,489	30,855	31,476	+621
GA Offsetting Collections .....	16,000	16,000	16,000	0
Total, General Administration.....	44,489	46,855	47,476	+621
TOTAL APPROPRIATION .....	263,509	270,550	283,146	+12,596
Total Appropriation .....	163,279	166,820	160,416	-6,404
Total Offsetting Collections .....	100,230	103,730	122,730	+19,000

### *Highlights of Budget Changes*

	<u>Amount</u> [+\$3,505]
Fixed Costs	
Outer Continental Shelf Lands	
Leasing and Environmental Program	+544
Fixed cost increases of \$544 are fully funded.	
Resource Evaluation Program	-884
An increase of \$500 is requested for the MONTCAR evaluation model; \$500 is requested to fund additional geophysical data acquisition, an additional data management contractor, and technical training; a \$610 decrease is due to completion of the 3-D Visualization Room; a \$900 reduction is for the Center for Marine Resources and Environmental Technology; a \$900 reduction is for the Marine Minerals Technology Center. Fixed cost increases of \$526 are fully funded.	

	<u>Amount</u>
Regulatory Program	+250
An increase of \$1,605 is requested for the Deepwater Helicopter Safety program; a \$364 decrease is possible due to the closure of the Santa Maria, CA District Office; a \$600 reduction is for the Offshore Technology Research Center; and a \$1,000 reduction is for the Hurricane Ivan repairs. Fixed cost increases of \$609 are fully funded.	
Information Management Program	+153
Fixed cost increases of \$153 are fully funded.	
Minerals Revenue Management	
Compliance & Asset Management	+10,353
A \$5,800 increase is requested to cover administrative costs of the RIK program; a \$4,000 increase is requested for administrative costs associated with the SPR program; a \$630 increase is requested for Indian Compliance Assurance; a \$500 decrease is for completion of the Safeguarding Indian Records initiative; a \$400 decrease is possible due to the closure of the Santa Maria, CA District Office. Fixed cost increases of \$823 are fully funded.	
Revenue & Operations	+1,559
An increase of \$1,200 is requested for a records management improvement project. Fixed cost increases of \$359 are fully funded.	
General Administration	
Executive Direction	+29
Fixed cost increases of \$29 are fully funded.	
Policy and Management Improvement	+84
Fixed cost increases of \$84 are fully funded.	
Administrative Operations	+61
A decrease of \$400 is possible due to operational efficiencies in information technology systems consolidation, improved coordination of training efforts and a general reduction in support services costs. Fixed cost increases of \$461 are fully funded.	
General Support Services	+447
An increase of \$803 is requested for Enterprise Information Technology, which includes IT Security Certification and Accreditation, the Enterprise Services Network, and e-government; a reduction of \$217 is for improved space management; a \$56 reduction is possible due to the closure of the Santa Maria, CA District office. Fixed cost increases are reduced by \$83.	

#### **APPROPRIATION: Oil Spill Research**

	2004 Actual	2005 Enacted	2006 Request	Change from 2005 Enacted
TOTAL APPROPRIATION .....	7,017	7,006	7,006	0



# OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT

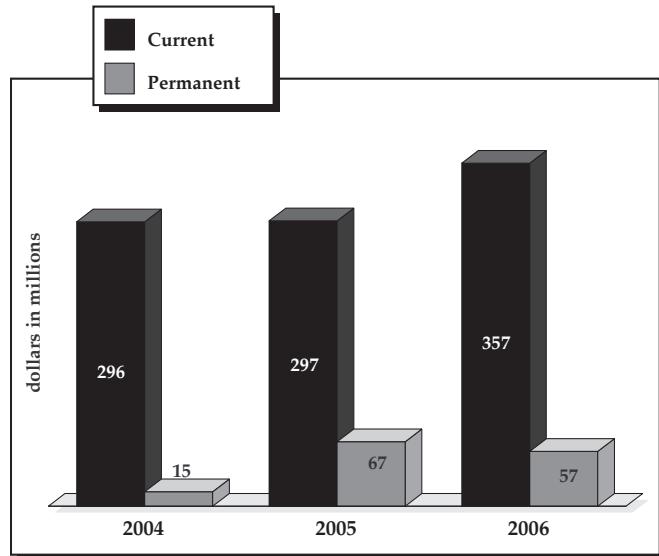
**Mission** — The Office of Surface Mining Reclamation and Enforcement was established in 1977 to carry out the requirements of the Surface Mining Control and Reclamation Act in cooperation with States and Indian Tribes. The OSM's primary objectives are to ensure that coal mining activities are conducted in a manner that protects citizens and the environment during mining, ensure that the land is restored to beneficial use following mining, and mitigate the effects of past mining by aggressively pursuing reclamation of abandoned coal mines.

**Program Overview** — The OSM carries out its mandates by providing grants to primacy States and Tribes to carry out their own regulatory and reclamation programs consistent with OSM standards. The OSM also administers regulatory and reclamation programs on Federal and tribal lands and in "nonprimacy" States. The OSM works closely with States and Tribes to implement its results-oriented regulatory oversight system and provides technical information and tools to help States and tribal partners to develop sufficient knowledge, expertise, and capability to meet their responsibilities under SMCRA.

In the last few years, OSM has focused on innovative approaches to implementing SMCRA and shifted its approach to State programs from direct oversight and review to measuring on-the-ground results. To maximize reclamation from available funding, OSM has implemented creative approaches and incentives to encourage reclamation of abandoned mine sites. Efforts to address acid mine drainage in the Appalachian coal region, encourage remining, and enhance abandoned mine lands reclamation have been successful in enabling OSM to leverage and stretch its resources to reclaim lands and waters that otherwise might never be restored. The reclamation projects funded in 2006 will increase the number of mitigated health and safety hazards. Continued Clean Streams grant funding will allow OSM to transfer responsibility to States and Tribes for restoration and improvement of water quality of streams affected by acid mine drainage.

**Management Excellence** — The OSM continues to follow the President's management agenda for improving management and performance of the Federal government

## OSM Funding



and practicing the Secretary's vision for citizen-centered management excellence. The OSM programs have worked extensively to step down from the goals in Interior's unified strategic plan. The OSM has developed an activity-based cost management system that allows managers to more specifically identify costs of outputs, and is continuing its workforce analysis to determine the human capital competencies required to achieve performance improvements. The OSM has also continued to expand its e-government capabilities. The budget proposal supports the Department's strategic plan specifically in relation to the goals for serving communities by protecting the lives and property of the citizens living in proximity to the coal fields; it also protects the Nation's resources by improving the health of its watersheds and landscapes that are affected by current and past mining practices.

As part of the 2006 budget formulation, OSM's Federal program was evaluated using the Program Assessment Rating Tool. The principal findings were that the purpose of the regulatory program is clear, as articulated in SMCRA, and that OSM allocates resources effectively.

**Budget Overview** — The 2006 request for OSM is \$356.5 million, a net increase of \$60.0 million above the 2005 enacted level, and includes funds to support the Administration's proposal to reauthorize the Abandoned Mine Land program.

**AML Reauthorization** — Section 402(a) of SMCRA establishes a per tonnage fee for mined coal. These fees are placed in the Abandoned Mine Reclamation Fund, and are used to finance reclamation of abandoned mine lands in the United States. Interest accrues on the unused portion of the collected fees and becomes part of the Fund to be used for reclamation. An amount of the interest earned is available for transfer to the United Mine Workers of America Combined Benefit Fund in order to help finance health benefits for unassigned beneficiaries.

The authority to collect the mine reclamation fee expires on June 30, 2005. Approximately \$3 billion worth of listed health and safety goal problems still remain, along with \$3.6 billion worth of identified high-priority coal problems affecting the general welfare of individuals living in coal-field areas. In addition to the pending expiration of the fee collection authority, another problem is a fundamental imbalance between the goals established by SMCRA and the way the funds are required to be allocated under the Act. Today, some States have completed reclamation on all of the abandoned coal mine sites or are working on low priority sites, while others are still decades away from completing the most critical high priority sites. Furthermore, the certified States and Tribes have an estimated unappropriated balance of \$580 million in their State and tribal share AML accounts.

The Administration proposes reauthorization of OSM's AML fee collection authority, and reform of the AML program that would expedite the elimination of high priority health and safety abandoned coal mine hazards, as well as provide for the expedited payment of unappropriated balances to certified States and Tribes.

In 2006, OSM will continue its commitment to environmental restoration while protecting the public by reclaiming lands disturbed by pre-SMCRA mining, but not yet reclaimed. The 2006 AML request of \$246.0 million is an increase of \$57.8 million above the 2005 enacted level. The funding will support OSM's abandoned mine land reclamation activities, which include State and tribal reclamation grants and high priority Federal reclamation efforts, as well as the Administration's approach to reauthorization of SMCRA.

Reclamation grants to non-certified States and Tribes will be funded at \$147.5 million. States and Tribes use these grant funds to address degraded land and water

resources as a result of past mining operations. In addition, the 2006 budget provides \$58.0 million in grants to certified States and Tribes. The proposed budget will increase the percentage of appropriated AML funds for reclamation of high priority abandoned coal mine sites and provide for the repayment of State shares to certified States and Tribes.

The proposed budget continues available funding for the successful Clean Streams program, up to \$10.0 million, to empower partners in affected communities to address important local acid mine drainage pollution. Acid mine drainage from abandoned coal mines continues to be a major source of water pollution nationwide, and in Appalachia. Acid mine drainage is the leading cause of aquatic habitat destruction impacting many native species, such as brook trout. The Clean Streams program has been particularly effective in fostering community partnerships and maximizing efficiency in the use of local resources in restoring water resources damaged by acid mine drainage.

The budget includes increases of \$1.1 million for watershed cooperative agreements and \$1.0 million for high priority Federal AML projects. Both of these programs were proposed for reduction in 2005 due to the availability of carryover. By the end of 2005, carryover funds will almost be exhausted and new funds will be required to continue these programs. Watershed cooperative agreements are made with private nonprofit agencies, such as small watershed organizations, to undertake local acid mine drainage reclamation projects. OSM carries out the high priority project program for States that have not assumed responsibility for carrying out their own reclamation programs.

**Regulation and Technology** — The goal of the Regulation and Technology program is to implement Title V of SMCRA by providing oversight and technical support for the regulation of active mining. Total funding requested for the regulatory program is \$110.5 million, an increase of \$2.2 million above the 2005 enacted budget.

Twenty-four States have approved permanent regulatory programs for the regulation of coal mining activities. These primacy States receive Federal-matching grants to fund 50 percent of their administration of State regulatory programs under SMCRA. Regulatory grants will allow the States and Tribes to prevent 94 percent of mine sites from causing offsite impacts and release 112,000 acres from phase one and two performance bonds.

The OSM is requesting increases of \$500,000 for the National Technical Training program, \$1.0 million for applied science activities, and \$1.0 million for the Techni-

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cal Innovation and Professional Services program. The enhanced technology, research, and training provided by these initiatives would support field staff on the ground, allowing for more efficiency, and assist in the consistent application of SMCRA nationwide. The 2006 budget also includes an increase of \$405,000 for Federal programs.

The 2006 budget proposes to eliminate the Small Operators Assistance Program, a reduction of \$1.5 million. The SOAP was established by SMCRA to assist small businesses to meet the costs of mine regulation. The budget proposes to eliminate funding for SOAP in order to focus on other high-priority needs.

**Information Technology** — The Department is migrating its portfolio to enterprise business processes and technologies. A key component for successful implementation of this strategy is the Enterprise Services Network, a modern, integrated network backbone that will provide the infrastructure to integrate resources within the De-

partment. Additionally, the 2006 budget request supports implementation of the Administration's high pay-off e-government initiatives to integrate agency operations and information technology investments. These initiatives eliminate redundant systems and significantly improve the Federal government's quality of customer service for citizens and businesses. The budget proposes a net increase of \$79,000 for these IT improvements.

The budget also proposes a \$2.6 million decrease for savings related to the redesign of the FEEBACS system, as well as other information technology savings.

**Other Program Changes** — The request includes a decrease of \$115,000 for anticipated savings related to improved fleet and space management.

**Fixed Costs** — The 2006 budget fully funds fixed cost increases of \$2.1 million.

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**SUMMARY OF BUREAU APPROPRIATIONS**  
 (all dollar amounts in thousands)

*Comparison of 2006 Request with 2005 Enacted:*

	2005 Enacted		2006 Request		Change from 2005	
	FTE	Amount	FTE	Amount	FTE	Amount
Appropriations						
Regulation and Technology .....	375	108,368	375	110,535	0	+2,167
Abandoned Mine Reclamation Fund .....	205	188,205	205	246,014	0	+57,809
Subtotal, Appropriations.....	580	296,573	580	356,549	0	+59,976
Permanents and Trusts						
Abandoned Mine Reclamation Fund Transfer .....	0	67,000	0	57,000	0	-10,000
Subtotal, Permanents and Trusts .....	0	67,000	0	57,000	0	-10,000
<b>TOTAL, OFFICE OF SURFACE MINING .....</b>	<b>580</b>	<b>363,573</b>	<b>580</b>	<b>413,549</b>	<b>0</b>	<b>+49,976</b>

**HIGHLIGHTS OF BUDGET CHANGES**  
 By Appropriation Activity/Subactivity

**APPROPRIATION: Regulation and Technology**

	2004 Actual	2005 Enacted	2006 Request	Change from 2005 Enacted
Environmental Restoration.....	235	257	259	+2
Environmental Protection.....	78,484	79,821	79,566	-255
Technology Development & Transfer .....	12,592	13,300	15,126	+1,826
Financial Management.....	485	485	488	+3
Executive Direction & Administration.....	13,391	14,505	15,096	+591
<b>TOTAL APPROPRIATION .....</b>	<b>105,187</b>	<b>108,368</b>	<b>110,535</b>	<b>+2,167</b>

*Highlights of Budget Changes*

	Amount
Fixed Costs	[+1,345]
Environmental Restoration	+2
A decrease of \$1 reflects savings from information services streamlining. Fixed costs are increased by \$3 and are fully funded.	+2
Environmental Protection	-255
A \$104 decrease reflects savings resulting from information services streamlining, a \$9 decrease in fleet management, and a \$986 decrease in funding received in 2005 for a coal study. A \$405 increase is requested for the Federal program activities. Fixed costs total \$439 and are fully funded.	-255
Technology Development and Transfer	+1,826
A \$57 decrease reflects savings from information services streamlining. An increase of \$1,625 is for technical assistance and training activities. Fixed costs total \$258 and are fully funded.	+1,826
Financial Management	+3
A \$3 decrease reflects savings resulting from information services streamlining. Fixed costs total \$6 and are fully funded.	+3

	<u>Amount</u>
Executive Direction and Administration	+591
A \$100 decrease reflects savings resulting from information services streamlining (-\$34), improved fleet management (-\$4), and improved space management (-\$62). An increase of \$52 is proposed to address information technology security needs. Fixed costs total \$639 and are fully funded.	

#### **APPROPRIATION: Abandoned Mine Reclamation Fund**

	2004 Actual	2005 Enacted	2006 Request	Change from 2005 Enacted
Environmental Restoration.....	173,472	167,861	228,112	+60,251
Technology Development & Transfer .....	4,133	4,479	3,922	-557
Financial Management.....	6,183	8,444	6,234	-2,210
Executive Direction & Administration.....	6,803	7,421	7,746	+325
TOTAL APPROPRIATION .....	190,591	188,205	246,014	+57,809

#### *Highlights of Budget Changes*

	<u>Amount</u>
Fixed Costs	[+735]
Environmental Restoration	+60,251
A \$55 decrease reflects savings resulting from information services streamlining (-\$51), and improved fleet management (-\$4). A \$58,000 increase is requested in AML funding. A \$2,092 increase is requested for Federal programs. Fixed costs total \$214 and are fully funded.	
Technology Development and Transfer	-557
An \$8 decrease reflects savings resulting from information services streamlining. A decrease of \$1,478 is proposed in SOAP grants. An increase of \$875 is requested for technical assistance and training activities. Fixed costs total \$54 and are fully funded.	
Financial Management	-2,210
A \$25 decrease reflects savings resulting from information services streamlining and from a reduction in fleet management. A decrease of \$2,300 reflects savings from the redesign of the FEEBACS system. Fixed costs total \$115 and are fully funded.	
Executive Direction and Administration	+325
A \$54 decrease reflects savings resulting from information services streamlining (-\$20), improved fleet management (-\$1), and improved space management (-\$33). An increase of \$27 is proposed to address information technology security needs. Fixed costs total \$352 and are fully funded.	





# BUREAU OF RECLAMATION

**Mission** — The Bureau of Reclamation's mission is to manage, develop, and protect water and related resources in an environmentally and economically sound manner in the interest of the American public.

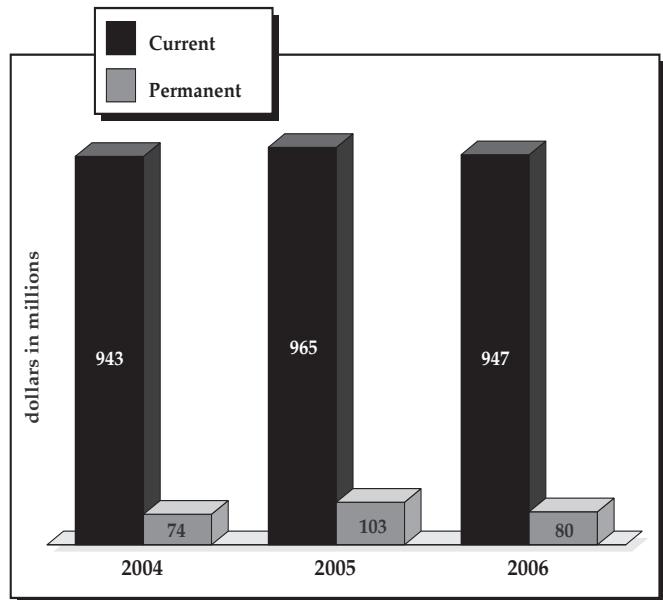
**Program Overview** — The Bureau of Reclamation is the largest supplier and manager of water in the 17 western States. It maintains 471 dams and 348 reservoirs with the capacity to store 245 million acre-feet of water. These facilities deliver water to one in every five western farmers for about 10 million acres of irrigated land and provide water to over 31 million people for municipal, rural, and industrial uses. Reclamation is also the Nation's second largest producer of hydroelectric power, generating 42 billion kilowatt hours of energy each year from 58 power plants. In addition, Reclamation's facilities provide substantial flood control, as well as many recreation and fish and wildlife benefits.

Since its establishment in 1902, Reclamation has developed water supply facilities that have contributed to sustained economic growth and an enhanced quality of life in the western States. Lands and communities served by Reclamation projects have been developed to meet agricultural, tribal, urban, and industrial needs. Reclamation continues to develop authorized facilities to store and convey new water supplies.

Water has become one of the scarcest resources in some of the fastest growing areas of the Nation; it is the lifeblood and foundation of the American West. In many areas of the West, existing water supplies as currently managed are, or may become, inadequate to meet the demands for water for people, cities, farms, and the environment. These supply and management challenges, coupled with the fact that the West has experienced severe drought conditions over the past several years, guarantee that water supply-related crises will become more frequent if action is not taken now.

Reclamation is committed to working with its customers, States, Tribes, and other stakeholders to find ways to balance and provide for the mix of water resource needs in 2006 and beyond. One of several ways that Reclama-

## Reclamation Funding



tion is assisting the West in addressing its water supply issues is Water 2025.

The overarching goal of Reclamation's Water 2025 initiative is to address the challenge of preventing crises and conflict over water in the West. Increasing the efficiency of existing water uses across the West can lead to significant additional water supplies to meet the needs of people, cities, farms, and the environment; needs that are currently in danger of going unmet, in critical areas of the West, even in normal water years.

**Management Excellence** — Reclamation continues to strive for excellence in the President's management initiatives, which include competitive sourcing, strategic work force management, improved financial performance, expanded electronic government, and integrated budget and performance. The Bureau of Reclamation is committed to the Administration's management reform agenda and has developed road maps for getting green ratings on its scorecards. Reclamation's use of activity-based cost management data, together with modifications to

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Reclamation's field-driven budget formulation process, will integrate performance and budget in Reclamation's decisionmaking process.

As part of its 2006 budget development process, Reclamation and OMB evaluated the recreation program and the water management/supply planning and construction program using the Program Assessment Rating Tool process. The recreation program was rated adequate.

The water management / supply planning and construction program was rated results not demonstrated, pending development of performance measures and base line data that assess progress toward bureau and strategic plan goals. The operations and maintenance portion of the water management/supply program, along with several other programs, will be evaluated by PART during the development of the 2007 budget.

The National Academies' National Research Council is proceeding with a review of Reclamation's organizational infrastructure as it relates to its core mission of delivering water and power. The NRC has scheduled its first committee meeting to be held February 28 to March 1, 2005, and should conclude its report during 2005.

**Budget Overview** — Total budget authority for Reclamation in 2006 is \$952.8 million, including current and permanent appropriations and offsets.

The 2006 request for current appropriations is \$946.7 million, a net decrease of \$18.2 million below the 2005 enacted level. The request for current appropriations is offset by discretionary receipts in the Central Valley Project Restoration Fund and by a proposal to offset \$30.0 million through direct funding of certain hydropower operations and maintenance activities, resulting in a net discretionary request of \$872.8 million, a decrease of \$45.8 million below the 2005 enacted level. This decrease is primarily due to the 2006 hydropower direct funding proposal. The request for permanent appropriations in 2006 totals \$80.0 million.

The 2006 request includes a decrease of \$209,000 for anticipated savings related to improved vehicle fleet management and a decrease of \$446,000 for anticipated savings in space costs.

**Water and Related Resources** — The 2006 request for Reclamation's principal operating account is \$801.6 million, which is a reduction of \$51.0 million. The account total includes an undistributed underfinancing reduction of \$30.2 million in anticipation of delays in construction schedules and other planned activities.

The budget proposal continues to emphasize assuring operation and maintenance of Bureau of Reclamation facilities in a safe, efficient, economic, and reliable manner; ensuring systems and safety measures are in place to protect the public and Reclamation facilities; working smarter to address the water needs of a growing population in an environmentally responsible and cost-efficient manner; and assisting States, Tribes, and local entities in solving contemporary water resource issues. During development of Reclamation's budget request, funding for every project is reviewed based on Departmental and Bureau priorities and compliance with the strategic plan.

The 2006 budget request provides a total of \$391.7 million for facility operations, maintenance, and rehabilitation. Providing adequate funding for these activities continues to be one of Reclamation's highest priorities. The Bureau continues to work closely with water users and other stakeholders to ensure that available funds are used effectively. These funds are used to allow the timely and effective delivery of project benefits; ensure the reliability and operational readiness of Reclamation's dams, reservoirs, power plants, and distribution systems; and identify, plan, and implement dam safety corrective actions and site security improvements.

A total of \$69.9 million is requested for the safety of dams program, an increase of \$6.4 million. This funding includes \$44.6 million to initiate safety of dams corrective actions and \$18.5 million for safety evaluations of existing dams.

The 2006 request also includes a total of \$440.1 million for resource management and development activities.

**Water 2025, Preventing Crises and Conflicts in the West** — The 2006 budget includes an increase of \$10.5 million for Water 2025, for a total funding level of \$30.0 million.

The overarching goal of Water 2025 is to meet the challenge of preventing crises and conflicts over water in the West. Implementation of Water 2025 in 2006 includes: water system optimization reviews that will assess the potential for water management improvements in a given basin or district; a challenge cost share grant program to financially assist irrigation and water districts in creating water markets and facilitating more efficient use of existing water supplies through water conservation, efficiency, and marketing projects; and the improvement of technology.

**Project Requests** — The Colorado Ute Settlement Act Amendments of 2000 provide for the implementation and completion of the Animas La Plata project. In the fall of 2003, Reclamation completed an internal investiga-

tion into why project costs were underestimated by \$162 million. As a result of the investigation, Reclamation has recalculated the construction cost estimate; reviewed and reconfigured its internal organizational approach to the project; reviewed its Indian Self-Determination and Assistance Act process to improve construction efficiencies; improved interaction and communication with the project sponsors; and reviewed its own procedures for developing construction cost estimates.

The 2006 budget proposes funding the Animas La Plata project at the 2005 enacted level of \$52.0 million, allowing for continued construction of Ridges Basin dam and Durango pumping plant.

The request provides \$22.2 million for the Central Arizona project. In 2006, Reclamation will focus funding on ongoing Indian irrigation system activities rather than planning for new projects, allowing for a reduction of \$11.9 million. The request also includes \$128.0 million for operating, managing, and improving California's Central Valley Project. Within this funding level, an increase of \$3.1 million is included for the CVP replacements, additions, and extraordinary maintenance program, reflecting the importance of maintaining Reclamation's aging infrastructure, as highlighted in the PART evaluation of the hydropower program. The 2006 replacement program includes a total of \$23.2 million for such items as replacement of gate seals; refurbishment of machinery; and replacement of equipment at a fish hatchery. These improvements will increase facility efficiencies and reliability.

The 2006 Reclamation budget request includes \$16.6 million for the Colorado - Big Thompson project, which is an increase of \$5.6 million. The increase will fund replacement of the supervisory control and data acquisition system, dam repairs, facility maintenance, and equipment replacement at the Flatiron and Estes power plants and Mary's switchyard.

Reclamation remains committed to maximizing efficient ways to deliver water under its contracts and to conserve water for multiple uses, including endangered species protection. The 2006 budget includes a request of \$17.9 million for Lower Colorado River operations, an increase of \$2.6 million. The increase is for telemetry and gauging required for real-time water use forecasting during the extended drought in the southwest and for implementing the Lower Colorado River multi-species conservation program, which is a multi-agency effort to retain populations and habitat for some 25 species, many of which are threatened or endangered.

The budget requests \$9.7 million for Endangered Species Act recovery implementation programs; \$17.5 million for

Columbia/Snake rivers salmon recovery; \$22.0 million for the Klamath project; \$19.0 million for the Middle Rio Grande project; and \$1.0 million for the Salton Sea. All of these funding levels are below 2005 with the exception of the Columbia/Snake rivers salmon recovery, which is at the 2005 enacted level.

Since the early 1980's, Congress has directed Reclamation to develop 13 independently authorized, single-purpose municipal and industrial water supply projects for rural communities throughout the West. As part of development of the 2004 budget, Reclamation participated in two performance assessments – PART and a review to develop a set of common performance measures for all Federal agencies that play a role in delivering water to rural areas. Both assessments found shortcomings in Reclamation's involvement in rural water projects, mainly due to the lack of a formal rural water program.

Consistent with the assessments' recommendations, legislation was introduced in the previous session of Congress that would allow the Department and Administration to set priorities and establish a Reclamation rural water program with adequate controls and clear guidelines for project development. It is expected that the legislation will be reintroduced in the new Congress.

The 2006 Reclamation budget request funds rural water projects at \$57.5 million, which is \$29.5 million below the 2005 level. This reduction results in part from projected completion of the Mid-Dakota rural water project in 2005 (-\$17.0 million). The balance of the reduction (-\$12.5 million) is based on a Departmental proposal to primarily fund only ongoing rural water projects until the establishment of a formal Reclamation rural water program, as recommended in the previous PART and common measures evaluation.

A total of \$50.0 million is requested for site security to ensure the safety and security of facilities, an increase of \$6.8 million. In 2006, the budget proposes that the operations and maintenance related security costs for Reclamation facilities will be reimbursable from project beneficiaries, consistent with existing law and practice for other operations and maintenance expenses.

The request funds Title XVI water reclamation and reuse projects at \$10.2 million, a reduction of \$15.7 million from the 2005 enacted level. This request level is similar to previous budget requests. State investigation programs and site-specific water / restoration studies are funded at \$9.4 million, which is a reduction of \$13.7 million.

The 2006 Reclamation budget proposes a direct funding relationship between Reclamation hydropower facilities

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and the Western Area Power Administration for those facilities where such an arrangement is not already in place, and includes offsetting collections of \$30.0 million.

The budget proposes to re-allocate repayment of capital costs of the Pick-Sloan Missouri Basin program. Power customers would be responsible for repayment of all construction from which they benefit, whereas to date they have only been responsible for a portion of these costs. This change would increase reimbursements from power customers by \$33.0 million in 2006, and declining amounts in the out years. This proposal is consistent with Government Accountability Office and Office of Inspector General recommendations regarding the project's cost allocation. The Administration will submit legislation to Congress to re-allocate repayment of construction and operations costs for this project to power customers. The re-allocation will likely result in modest increases to power rates for Pick-Sloan customers, which could be phased in over time.

Based on the PART on the recreation program, the Administration will work with Congress to provide Reclamation broader authority to meet administrative challenges at particular recreation locations when Reclamation cannot find managing partners

**Central Valley Project Restoration Fund** — The 2006 budget includes a request of \$52.2 million from the Central Valley project restoration fund, which is the estimated level of collections from CVP water and power users. This budget request is offset by collections estimated at \$43.9 million from mitigation and restoration charges authorized by the Central Valley Project Improvement Act.

The 2006 program funds a variety of activities to restore fish and wildlife habitat and populations in the CVP service area of California, including: acquiring water for anadromous fish and other environmental purposes; providing for long-term water deliveries to wildlife refuges; continuing the anadromous fish restoration program with the goal of doubling the natural production of anadromous fish; monitoring the effectiveness of restoration actions; acquiring fee title or conservation easements to facilitate better management; restoring land to improve wildlife habitat, conserve water, and reduce drainage; and continuing funding for fish screens on diversions along the Sacramento River.

**California Bay-Delta Restoration** — The budget requests \$35.0 million for CALFED, pursuant to the new water management, ecosystem restoration, water quality, water supply, and flood protection program. The Calfed Bay-Delta Authorization Act was signed into law on October 25, 2004, and the activities authorized in the legislation

include water storage investigation, conveyance program activities, continuation of the environmental water account, levee reconstruction activities, and oversight and coordination of the program.

The adaptive management program is in California's Central Valley and the San Francisco Bay-Delta and assists California in proactively addressing conflicts over scarce water. The program, operated in conjunction with the State of California and local entities, will balance progress in achieving its many goals and ensure that all project partners pay a share of the project costs according to the benefits they receive.

Funding for California Bay-Delta Restoration is requested in the following areas: \$10.0 million for the environmental water account; \$10.0 million for the storage program; \$3.0 million for water conveyance; \$4.0 million for water use efficiency; \$4.0 million for ecosystem restoration; and \$4.0 million for program and management and Reclamation's oversight function.

**Working Capital Fund** — This fund is operated for the purpose of managing financial activities such as acquisition and replacement of capital equipment; recovery of the cost of services provided to others; indirect cost recovery for the technical service center and management services and human resources in regional and area offices; and information technology related costs and services. The fund operates on a self-supporting basis through user charges deposited in the fund.

**Other Accounts** — No funding is requested for the Loan program. The request for Policy and Administration, the account that finances Reclamation's central management functions, is \$57.9 million. Permanent appropriations available in the Colorado River Dam Fund are estimated to be \$81.0 million in 2006.

**Information Technology** — The Department is migrating its portfolio to enterprise business processes and technologies. A key component for successful implementation of this strategy is the Enterprise Services Network, a modern, integrated network backbone that will provide the infrastructure to integrate resources within the Department. Additionally, the 2006 budget request supports implementation of the Administration's high pay-off e-government initiatives to integrate agency operations and information technology investments.

These initiatives eliminate redundant systems and significantly improve the Federal government's quality of customer service for citizens and businesses. The budget proposes a net increase of \$390,000 for information technology improvement.

**SUMMARY OF BUREAU APPROPRIATIONS**  
**(all dollar amounts in thousands)**

*Comparison of 2006 Request with 2005 Enacted:*

	2005 Enacted FTE	2006 Request Amount	2006 Request FTE	Change from 2005 FTE	Change from 2005 Amount
<b>Appropriations</b>					
Water and Related Resources .....	3,093	852,605	3,090	-3	-51,036
Loan Program .....	1	0	1	0	0
Policy and Administration.....	289	57,688	289	0	+229
CVP Restoration Fund.....	25	54,628	25	0	-2,409
California Bay-Delta Restoration.....	6	0	9	+3	+35,000
Working Capital Fund.....	<u>1,929</u>	0	<u>1,919</u>	<u>-10</u>	0
Subtotal, Appropriations <sup>1/</sup> .....	5,343	964,921	5,333	-10	-18,216
Central Valley Project Restoration Fund Offset.....	0	-46,369	0	0	+2,451
Hydropower Direct Financing Offset .....	0	0	0	0	-30,000
<i>Net Discretionary</i> .....		918,552		872,787	-45,765
<b>Permanents and Other</b>					
Colorado River Dam Fund					
Boulder Canyon Project .....	208	82,715	210	+2	-1,741
Basin Funds.....	200	0	200	0	0
Loan Program Subsidy reestimate.....	0	20,667	0	0	-20,667
Loan Program Liquidating Account .....	0	-2,546	0	-2,580	0
Miscellaneous Permanents .....	0	280	0	280	0
Reclamation Trust Funds .....	6	1,300	6	0	0
Dutch John Fund .....	0	0	0	0	0
San Gabriel Basin Restoration Fund.....	0	145	0	0	-145
Subtotal, Permanents and Trusts .....	414	102,561	416	+2	-22,587
San Gabriel Basin Restoration Fund Offset.....	0	-145	0	0	+145
<b>TOTAL, BUREAU OF RECLAMATION</b> .....	<b>5,757</b>	<b>1,020,968</b>	<b>5,749</b>	<b>-8</b>	<b>-68,207</b>

<sup>1/</sup> The 2005 total does not include \$5.0 million for disaster supplemental.

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**HIGHLIGHTS OF BUDGET CHANGES**  
By Appropriation Activity/Subactivity

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**APPROPRIATION: Water and Related Resources**

	2004 Actual	2005 Enacted	2006 Request	Change from 2005 Enacted
Animas La Plata Project .....	47,137	52,000	52,000	0
Boise Area Projects .....	6,604	5,527	5,000	-527
Central Arizona Project .....	27,682	34,087	22,223	-11,864
Central Valley Project .....	137,026	146,733	127,961	-18,772
Colorado-Big Thompson.....	10,084	10,961	16,589	+5,628
Colorado River Basin Salinity Control.....	22,247	22,766	23,693	+927
Colorado River Storage Project .....	13,918	13,585	13,726	+141
Columbia Basin Project .....	11,591	15,268	11,663	-3,605
Columbia/Snake River				
Salmon Recovery.....	11,940	17,500	17,500	0
Dam Safety Program.....	51,597	63,478	69,888	+6,410
Endangered Species				
Recovery Implementation.....	10,999	12,464	9,734	-2,730
Klamath Project .....	23,096	27,000	22,000	-5,000
Lower Colorado River				
Operations Program .....	15,698	15,322	17,894	+2,572
Middle Rio Grande Project .....	30,305	29,150	19,000	-10,150
Native American Affairs .....	6,588	7,720	7,525	-195
Pick-Sloan Missouri Basin Program .....	39,305	39,608	42,090	+2,482
Rural Water Projects				
Fort Peck Reservation Dry Prairie .....	6,741	7,000	0	-7,000
Garrison Diversion Unit.....	28,849	25,244	26,837	+1,593
Lewis and Clark Rural Water System .....	15,279	18,750	15,000	-3,750
Mid-Dakota Rural Water.....	13,485	17,015	15	-17,000
Mni Wiconi Project.....	28,637	31,536	29,500	-2,036
North Central MT Rural Water Supply .....	822	1,000	0	-1,000
Perkins County Rural Water Systems .....	899	2,250	0	-2,250
Less Non-Rural Water Component <sup>1/</sup> .....	-15,934	-15,802	-13,852	+1,950
Rural Water Projects, Total .....	78,778	86,993	57,500	-29,493
Science and Technology Program.....	16,227	16,984	9,709	-7,275
Site Security.....	34,457	43,216	50,000	+6,784
Water 2025.....	7,550	19,500	30,000	+10,500
Water Conserv Field Services Program....	8,923	7,478	8,950	+1,472
Water Reclamation/Reuse Projects,				
Title XVI.....	29,045	25,896	10,229	-15,667
Yakima Project/Basin Water Enhance.....	17,181	18,245	16,422	-1,823
Yuma Area Project.....	23,543	22,226	22,100	-126
Other Projects/Programs .....	170,918	169,769	148,345	-21,424
Underfinancing.....	Applied	-63,995	-30,172	+33,823
ATB reduction of 0.8 percent .....	Applied	-6,876	0	+6,876
<b>TOTAL APPROPRIATION .....</b>	<b>852,439</b>	<b>852,605</b>	<b>801,569</b>	<b>-51,036</b>

<sup>1/</sup> The non-rural water component in the 2006 request includes Mid-Dakota (\$15) and Garrison (\$13,837).

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## ***Program Highlights***

The 2006 request includes funds for the following projects and programs.

### **Animas La Plata Project**

In December 2000, legislation was enacted to resolve the Colorado Ute Tribes' water rights claims and allow construction of a smaller Animas La Plata project to proceed. The reformulated project limits depletions to an average of 57,100 acre-feet per year and provides only municipal and industrial water for the Tribes and local non-Indian entities.

### **Boise Area Projects**

The request provides funds for continued operation, maintenance, and rehabilitation of project facilities.

### **Central Arizona Project**

The Central Arizona Project is a multipurpose water resource development and management project that provides irrigation, municipal and industrial water, power generation, flood control, outdoor recreation, environmental enhancement, and sediment control. The project will provide delivery of tribal homeland water, partial settlement of Indian water rights claims, and economic benefits accruing from leasing of Indian agricultural water rights to municipalities.

### **Central Valley Project**

Funds are requested for continued facility operations, maintenance, rehabilitation, and for numerous management and development efforts, including construction of the Placer County Water Agency permanent pump facility; water conservation and drainage management programs; the Trinity River restoration program; construction of screens on unscreened diversions; and mitigation of fish losses at Tracy pumping plant. Related activities will be funded by the CVP restoration fund.

### **Colorado-Big Thompson**

The Colorado-Big Thompson project diverts approximately 260,000 acre-feet of water annually from the Colorado River headwaters on the western slope of the Rocky Mountains for distribution to eastern slope project lands. Key areas of focus this year are the replacement of the supervisory control and data acquisition system, the overhaul and relining of unit 1 and unit 2 penstock interiors at the Flatiron power plant, and facility maintenance and rehabilitation at Estes power plant and Mary's switchyard.

### **Colorado River Basin Salinity Control Program**

This project provides for the enhancement and protection of the quality of water available in the Colorado River for the United States and the Republic of Mexico and to comply with the requirements of Minute 242 approved August 30, 1973, under the 1944 Treaty with Mexico. Funding continues efforts to ensure the Yuma desalting plant can operate for treaty and other Federal requirements. These efforts include long term maintenance of essential Yuma desalting plant infrastructure and facilities; performing quality assurance activities of plant readiness; and ensuring that appropriate environmental compliance is initiated and maintained.

### **Colorado River Storage Project**

Funds are requested for the Federal share of the costs of facility operations, maintenance, and rehabilitation, including the rehabilitation of recreation facilities at Reclamation constructed reservoirs. Funds are provided for repairs at the Upper Stillwater Dam. Implementation of mitigation measures continues, including work on temperature control modifications on Glen Canyon Dam.

### **Columbia/Snake River Salmon Recovery**

This program addresses requirements in biological opinions issued in December 2000, by FWS and in November 2004, by NOAA Fisheries. These requirements include significantly increased regional coordination efforts; operational changes to the daily, weekly, and seasonal operation of Reclamation dams; acquisition of flow augmentation water; tributary habitat activities in selected subbasins to offset hydrosystem impacts; and significantly increased research, monitoring, and evaluation.

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### Columbia Basin Project

Funds are provided to continue ongoing support for the planning and implementation of effective water conservation measures with water districts and other entities. The project also continues the day-to-day operation of two storage dams and reservoirs; three Grand Coulee power plants; one pump/generating plant; associated switchyards and transmission lines; the feeder canal at Grand Coulee; and the distribution canal systems for the irrigation reserved works.

### Dam Safety Program

Funds are requested for the safety evaluation of existing dams program, for corrective actions on individual dams, and for other dam safety activities. Funding continues dam safety management and risk reduction activities at Reclamation's 364 high and significant hazard dams. Corrective actions will continue or start on: Deer Creek Dam (UT), Keechelus Dam (WA), Grassy Lake Dam (WY), Hyrum Dam (UT), Prosser Creek Dam (CA), Lauro Dam (CA), Stony Gorge Dam (CA), Stampede Dam (CA), Echo Dam (UT), Scofield Dam (UT), Morrow Point Dam (CO), and Glendo Dam, (WY). Funds are also provided for minor modifications at other facilities, and for the Department of the Interior dam safety program.

### Endangered Species Recovery Implementation

This program provides for the development and implementation of measures for the preservation, conservation, and recovery of native and endangered, threatened, proposed, and candidate species, which are resident in or migratory to habitats affected by the operation of Reclamation projects. Ongoing efforts funded by this program involve the Colorado, San Juan, and Platte river basins, as well as watersheds in the Pacific northwest and California's central valley.

### Klamath Project

The request continues funding for studies and initiatives related to improving water supplies to meet the competing demands of agricultural, tribal, wildlife refuge, and environmental needs in the Klamath River basin. Key areas of focus include increasing surface and groundwater supplies, continuing a water bank, making improvements in fish passage and habitat, taking actions to improve water quality, and continuing coordination of Reclamation's conservation implementation program.

### Lower Colorado River Operations Program

This program funds work necessary to carry out the Secretary's responsibilities as water master of the lower Colorado River. It funds measures under the multi-species conservation program to provide long term Endangered Species Act compliance for lower Colorado River operations, for both Federal and non-Federal purposes.

### Middle Rio Grande Project

Funds are provided for operations, maintenance, and rehabilitation of project facilities, and for Bureau of Reclamation efforts implementing the biological opinion that is focused on the protection and recovery of the Rio Grande silvery minnow and southwestern willow flycatcher.

### Native American Affairs Program

This program provides funding for efforts to promote the successful application of Reclamation's programs to Indian issues and needs; for support of Indian water rights negotiations and the implementation of enacted settlements; and for assistance to Tribes in their efforts to become self-sufficient in the management and development of their water resources.

### Pick-Sloan Missouri Basin Program

Funds are provided for the Federal share of the costs of operations, maintenance, and rehabilitation of facilities on thirty-three units of the Pick-Sloan Missouri Basin program.

### Rural Water Projects

#### Garrison Diversion Unit

Funds are requested for grants to the State of North Dakota; for tribal municipal, rural, and industrial water projects; for development of Indian irrigation facilities; for work at several wildlife refuges; and for operation and maintenance of completed project facilities.

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#### Lewis and Clark Rural Water System

The Lewis and Clark rural water system addresses concerns regarding the low quality, contamination vulnerability, and insufficient supply of existing drinking water sources throughout the project area. The water source for Lewis and Clark is the Missouri River alluvial aquifer near Vermillion, South Dakota. The raw water will be collected, treated, and distributed through a network of pipelines, pump stations, and storage reservoirs.

#### Mid-Dakota Project

This program provides for grants to the project sponsor for construction of water supply transmission lines and storage reservoirs. Construction is scheduled for completion in 2005 and funding is requested in 2006 is for wetlands mitigation.

#### Mni Wiconi Project

Funds are requested for design and construction activities on the Oglala Sioux, Rosebud Sioux, Lower Brule Sioux, and West River/Lyman-Jones rural water systems; and for operations and maintenance of new and existing facilities on the three Indian reservations.

#### Science and Technology Program

Funds are requested for development of new solutions and technologies that respond to Reclamation's mission-related needs and provide for innovative management, development, and protection of water and related resources.

#### Site Security

Funds are requested to continue Reclamation's ongoing efforts to secure its facilities from threat, which includes guards and surveillance, physical facility upgrades, and studies and research.

#### Water 2025

Funds are requested to continue to focus Reclamation's financial and technical resources on areas in the West where conflict over water either currently exists or is likely to occur in the coming years. Implementation of Water 2025's system optimization reviews; the 50-50 challenge grant program; and improved technology should be less expensive than other more costly alternatives.

#### Water Conservation Field Services Program

This program combines two existing programs: the water management and conservation program and the efficiency incentives program. Funds are requested to support the WCFSP at the area and regional office levels by providing training, technology transfer and development, demonstrations, and other cost shared assistance related to the implementation of water efficiency and conservation measures.

#### Water Reclamation and Reuse Projects – Title XVI

Funds are requested to continue Federal cost sharing for eight water reclamation and reuse projects and studies; and to conduct a water recycling research program, as well as studies of potential water recycling projects.

#### Yakima Project/Basin Water Enhancement

Work includes operations and maintenance of existing facilities; implementation of water conservation, fish, and wildlife improvements; and other measures authorized by the Yakima River Basin Water Enhancement Act, including the Kennewick study. Funding is also included to begin implementing the Yakama Nation's water conservation plans.

#### Yuma Area Projects

The request funds infrastructure maintenance along the lower Colorado River necessary to ensure uninterrupted water delivery to both urban and agricultural users in Arizona and California, and to Mexico. Work also includes river management, well inventory, flood and drainage control, protection of endangered species and their habitat, and land use management activities.

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**APPROPRIATION: Loan Program**

	2004 Actual	2005 Enacted	2006 Request	Change from 2005 Enacted
Loan Program .....	199	0	0	0
Program Administration.....	0	0	0	0
TOTAL APPROPRIATION .....	199	0	0	0

***Program Highlights***

## Loan Program

No funding is requested in 2006 for this program.

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**APPROPRIATION: Policy and Administration**

	2004 Actual	2005 Enacted	2006 Request	Change from 2005 Enacted
TOTAL APPROPRIATION .....	55,197	57,688	57,917	+229

***Program Highlights***

## Policy and Administration

This appropriation funds Reclamation's centralized management functions and supports management and administrative activities that are not directly chargeable to a specific project or program.

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**APPROPRIATION: Central Valley Project Restoration Fund**

	2004 Actual	2005 Enacted	2006 Request	Change from 2005 Enacted
Fish and Wildlife Resources Habitat .....	33,455	49,628	47,219	-2,409
Fish and Wildlife Resources Mgt .....	6,093	5,000	5,000	0
TOTAL APPROPRIATION .....	39,548	54,628	52,219	-2,409

***Program Highlights***

## Central Valley Project Restoration Fund

Funds collected from project beneficiaries are used for the protection, restoration, and enhancement of fish and wildlife and associated habitat in the CVP area of California. Programs are planned in cooperation with FWS and the Central Valley Project Restoration Fund Roundtable.

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**APPROPRIATION: California Bay-Delta Restoration**

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	<b>2004 Actual</b>	<b>2005 Enacted</b>	<b>2006 Request</b>	<b>Change from 2005 Enacted</b>
TOTAL APPROPRIATION .....	0	0	35,000	+35,000

***Program Highlights*****California Bay-Delta Restoration**

This account funds activities that are authorized by the Calfed Bay-Delta Authorization Act that was signed into law on October 25, 2004, which focuses on the health of the Bay-Delta ecosystem and improving water management and supplies. Funds are requested for the environmental water account, the storage program, conveyance, water use efficiency, ecosystem restoration, and planning and management activities.





# CENTRAL UTAH PROJECT

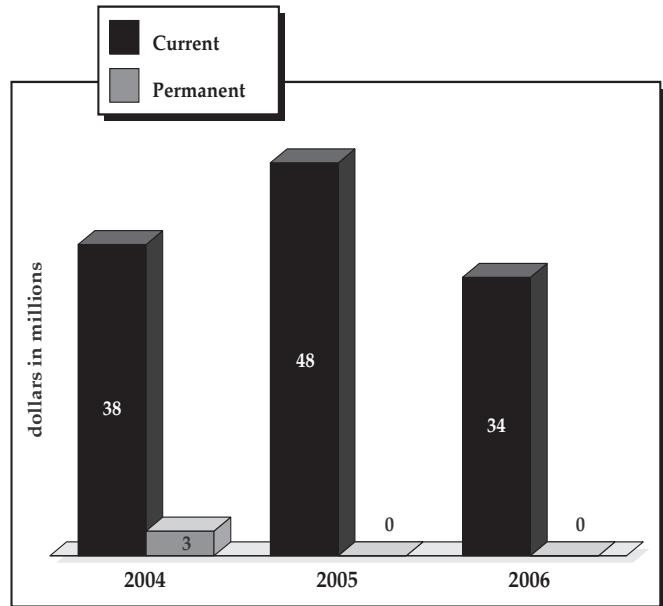
**Mission** — The purpose of this program is to complete the Central Utah Project in a timely and environmentally sound manner.

**Program Overview** — The Central Utah Project Completion Act provides for completion of the project by the Central Utah Water Conservancy District. The Completion Act also authorizes funding for fish, wildlife, and recreation mitigation and conservation activities; establishes the Utah Reclamation Mitigation and Conservation Commission to oversee implementation of those activities; and authorizes funding for the Ute Indian water rights settlement. A program office located in Provo, Utah provides a liaison function with the District, Mitigation Commission, and the Ute Indian Tribe and otherwise assists in carrying out responsibilities of the Secretary.

Accomplishments in 2004 on projects funded by the Water Conservancy District include: completion of the Diamond Fork system; completion of the Big Sand Wash diversion dam and feeder pipeline; continued construction of the Big Sand Wash dam and reservoir; implementation of three additional water conservation measures for a total of 36 measures, which conserved about 95,000 acre-feet of water in 2004; and implementation of 17 local development projects.

Accomplishments in 2004 for projects funded through the Mitigation Commission include completion of an additional mile of main river channel restoration work and two miles of tributary restoration on the Provo River. Restoration is now complete for seven miles of a nearly ten-mile habitat restoration project on the Provo River. Two public access points were constructed along the river; which completed six of the seven planned public access points. Approximately one-half mile of additional public angler access was acquired under easement with private landowners on Currant Creek. Public angler access has now been completed for all but 2.25 miles of a 51-mile mitigation commitment under the Bonneville Unit. Final completion is expected in 2006. About 260 acres of intermixed wetlands and uplands were purchased for the Utah Lake wetlands preserve, bringing the total project area acquired to about 5,410 acres.

## CUPCA Funding



**Budget Overview** — The 2006 Central Utah Project budget is \$34.4 million, a decrease of \$13.3 million below the 2005 enacted level. The decrease is primarily due to the transfer of budget authority from Interior to the Western Area Power Administration.

The request funds the Federal costs of completing the Diamond Fork system; continues construction of the enlarged Big Sand Wash dam and reservoir, a feature of the Uinta Basin replacement project; continues to implement approved local development projects and water management improvement projects; finalizes planning, contracts, and NEPA compliance for the Utah Lake system; and implements fish, wildlife, and recreation mitigation and conservation projects.

The request includes \$31.3 million for planning and construction activities administered by the District; \$1.7 million for program administration; \$397,000 for mitigation and conservation activities funded through the program office; and \$946,000 for mitigation and conservation activities funded through the Mitigation Commission.

The 2005 budget proposed to amend Section 214 of the Completion Act to transfer responsibility from WAPA to the Department for making an annual mitigation payment (indexed for inflation) to the Mitigation and Conservation Commission account. The 2005 Energy and Water Development Appropriation Act included \$6.1 million in the Mitigation and Conservation Commission account for

this payment, but did not amend Section 214. The 2006 budget does not repeat the 2005 legislative proposal. The 2006 request includes \$6.7 million in the WAPA budget for the annual mitigation payment, which will be transferred to the Commission's account. In addition, the Mitigation and Conservation Commission account will have an anticipated carryover balance of \$19.0 million.

**SUMMARY OF BUREAU APPROPRIATIONS**  
**(all dollar amounts in thousands)**

*Comparison of 2006 Request with 2005 Enacted:*

	2005 Enacted		2006 Request		Change from 2005	
	FTE	Amount	FTE	Amount	FTE	Amount
Appropriations						
Central Utah Project Completion Account .....	5	32,280	5	33,404	0	+1,124
Utah Reclamation Mitigation & Conservation .....	0	15,345	0	946	0	-14,399
Subtotal, Appropriations.....	5	47,625	5	34,350	0	-13,275
Permanents and Other						
Utah Reclamation Mitigation & Conservation .....	14	0	14	0	0	0
Subtotal, Permanents and Trusts .....	14	0	14	0	0	0
<b>TOTAL, CENTRAL UTAH PROJECT .....</b>	<b>19</b>	<b>47,625</b>	<b>19</b>	<b>34,350</b>	<b>0</b>	<b>-13,275</b>

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**HIGHLIGHTS OF BUDGET CHANGES**  
**By Appropriation Activity/Subactivity**

**APPROPRIATION: Central Utah Project Completion Account**

	2004 Actual	2005 Enacted	2006 Request	Change from 2005 Enacted
Central Utah Project Construction.....	26,255	29,866	31,271	+1,405
Mitigation and Conservation .....	625	694	397	-297
Program Administration.....	1,718	1,720	1,736	+16
TOTAL APPROPRIATION .....	28,598	32,280	33,404	+1,124

***Program Highlights***

**Central Utah Project Construction**

The request includes \$31,271 for use by the Central Utah Water Conservancy District, including \$14,600 to fund the Federal share of the completed Diamond Fork system; \$12,182 to continue construction on the Uinta Basin replacement project; \$3,889 to implement approved local development projects and water management improvement projects; and \$600 to finalize planning, contracts, and NEPA compliance for the Utah Lake System.

**Mitigation and Conservation**

The request includes \$397 for activities funded through the program office.

**Program Administration**

The \$1,736 supports the program office in Provo, Utah, and other activities necessary to carry out responsibilities of the Secretary.

**APPROPRIATION: Utah Reclamation Mitigation and Conservation Account**

	2004 Actual	2005 Enacted	2006 Request	Change from 2005 Enacted
TOTAL APPROPRIATION .....	9,367	15,345	946	-14,399

***Program Highlights***

**Fish, Wildlife, and Recreation Mitigation and Conservation**

The request includes \$475 for use by the Utah Reclamation Mitigation and Conservation Commission to implement the fish, wildlife, and recreation mitigation and conservation projects authorized in Title III; \$210 to implement fish and wildlife measures for the Uinta Basin replacement project; and \$261 to complete mitigation measures agreed to by the Bureau of Reclamation.





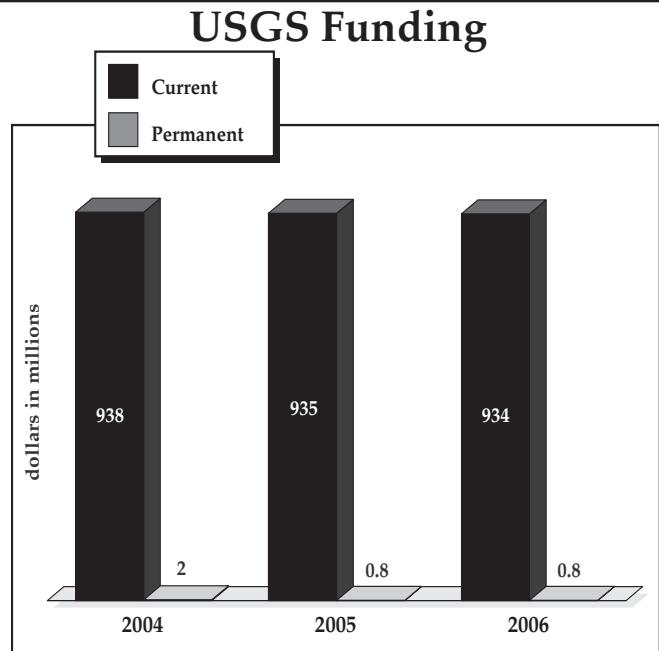
# U.S. GEOLOGICAL SURVEY

**Mission** — The mission of the U.S. Geological Survey is to provide reliable scientific information to: describe and understand the Earth; minimize loss of life and property from natural disasters; assist others in managing water, biological, and other natural resources; and enhance and protect the quality of life.

**Program Overview** — The USGS provides a broad range of expertise in geography, geology, hydrology, and biology. The USGS places a special emphasis on providing science to the land and resource management bureaus of the Department of the Interior. The USGS hazards programs produce information and understanding of natural hazards, such as earthquakes, volcanoes, and landslides used to reduce the impacts on human life and the economy. The USGS is a primary Federal source of objective resource assessments and unbiased research on oil, gas, and alternative energy potential, production, consumption, and environmental effects. These investigations enable the Nation to make sound decisions regarding domestic energy production with an understanding of potential impacts on the environment.

The USGS analyses of water quality and quantity help water managers develop, regulate, and monitor management practices to ensure the continued availability of water resources for human consumption, agriculture, business, recreation, and environmental stability. The USGS biological studies are used to help maintain healthy ecosystems and natural resources so that these habitats can continue to provide food, energy, medicine, transportation, and recreation. The USGS geography program is expanding its partnerships with Federal agencies and State and local governments to develop and promote use of the geographic data and mapping products that are essential for economic and community development, land and natural resource management, and health and safety services.

To deliver the most accurate, timely, and impartial science possible, USGS is seeking ways to integrate its diverse programs, capabilities, and talents to address those issues that require a multidisciplinary solution. The USGS also places great value on partnerships and is increasing



customer involvement to work collaboratively on issue identification, resource needs, and science solutions. The USGS natural and biological science supports informed decisionmaking by land and resource managers at Federal, State, and local levels; by government program managers; by industrial and agricultural corporations; by scientists and academia; and by the public.

**Management Excellence** — The USGS continues to advance the President's management agenda for improving performance of the Federal government and for practicing the Secretary's vision for citizen-centered management excellence. This budget proposal supports the Department's unified strategic plan, specifically in relation to informing decisions through the application of science and advancing knowledge through scientific leadership.

The USGS has developed an integrated program and budget planning process that envelopes its increased emphasis on integrated science and ensures continued improvement in the management of programs and funding at local, regional, and national levels. The USGS has begun the implementation of activity based cost management to

assist in this effort and is improving the cost reporting for activities, outputs, and outcomes.

The USGS human capital planning efforts are guiding the implementation of succession planning, competitive sourcing, and other human capital initiatives.

The USGS made substantial improvements in its financial management activities through enhanced communications and coordination with field operations, revised policies and procedures, and increased training for administrative staff. The result of these efforts is an unqualified opinion on the 2004 annual performance accountability report.

As part of the 2006 budget process, activities in water research, water information collection and disseminations, and the National Map were reviewed during 2004 using the Performance Assessment Rating Tool. The National Map was found to be effective and the water programs were found to be moderately effective.

**Budget Overview** — The 2006 USGS budget request is \$933.5 million in current appropriations, a decrease of \$1.9 million below the 2005 enacted level. The request includes \$33.4 in new and expanded program funding and \$17.1 million to cover fixed costs. These increases are offset by refocusing \$36.7 million from lower priority research activities, including \$12.0 million in earmarks. The budget also proposes \$3.7 million in administrative savings, which focus on better management of travel, space, and motor vehicle fleet costs. The proposed funding level strengthens the foundation of USGS science by refocusing research priorities to ensure that USGS is able to maintain and build upon its expertise in the areas of science most needed by today's decisionmakers.

**Partnerships** — Partnerships are a crucial part of USGS science efforts. The USGS works in close cooperation with more than 2,000 Federal, State, tribal, and local governmental agencies, private sector companies, and non-profit organizations across the country. Partnerships provide highly effective means for leveraging resources among many contributors and for bringing a greater wealth of knowledge, expertise, and capability to bear on important land and resource management issues.

**Geography** — The 2006 request of \$133.5 million in Geography supports a strong role for USGS in mapping, land remote sensing, and geographic research. The request level is \$14.7 million above the 2005 enacted level, which includes a decrease of \$986,000 for earmarks.

Increases to the budget include \$19.5 million in land remote sensing to maintain and bolster U.S. landsat archives and capabilities. In 2005, due to the failure of the scan

line corrector on board the Landsat 7 satellite, USGS has continued to experience difficulty recovering reimbursable funding for the project. Thus, USGS will propose to reprogram \$6.0 million by deferring other projects in 2005 to cover this shortfall. The 2006 request includes \$12.0 million for Landsat, which includes \$6.0 million to replenish the funds for activities deferred from 2005 and \$6.0 million to cover the 2006 shortfall stemming from the failure of Landsat.

The Land Remote Sensing request also includes \$7.5 million to begin building ground station capabilities to download and archive landsat-like data from the Landsat 7 follow-on mission. The first Landsat Data Continuity Mission sensor will be flown on a National Oceanic Atmospheric Administration polar orbiting satellite, set to launch in late 2009. Both the National Aeronautics and Space Administration and NOAA propose funding in their 2006 budgets for their roles in this landsat data continuity mission.

The 2006 budget contains an increase of \$250,000 for a science impact program designed to improve and expand the use of USGS science information both within and outside the Department. The program helps decision makers better understand what USGS science is telling them and how to apply it.

**Geology** — The 2006 budget proposes \$208.1 million for Geology activities, which is \$21.1 million below the 2005 enacted level. This funding level includes an increase of \$5.4 million to build, in conjunction with NOAA, a tsunami early warning system for the United States. In 2005, the Administration announced a plan for an improved tsunami and earthquake detection and warning system for the U. S.s. The new system will provide nearly 100 percent detection capability in the case of a U.S. coastal tsunami, allowing response within minutes. The Administration will request \$8.1 million in supplemental 2005 funding for USGS to improve its earthquake detection capabilities, which is a key element in determining tsunami risks. In addition to providing improved tsunami warning capabilities, the enhanced earthquake detection capability will provide more rapid earthquake warning within the U.S., allowing faster response by emergency response personnel.

The 2006 budget requests \$864,000 to increase volcanic monitoring at U.S. volcanoes posing the largest risks to public safety; \$500,000 for increased geothermal assessments, and \$912,000 to enhance ecosystem studies within Puget Sound. The budget includes decreases of \$1.5 million in lower priority earmarks, \$1.2 million in the national coastal program, and \$500,000 in carbon sequestration studies. The budget also includes a refocus

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of the mineral resources program to concentrate on activities that are inherently governmental responsibilities. The budget reduces the minerals resources program by \$28.5 million.

**Water Resources** — The Water Resources discipline is funded at \$204.2 million in the 2006 budget request, which expands upon the water availability work currently being done in the Great Lakes with an increase of \$400,000. The request also includes decreases of \$5.1 million in earmarks and \$6.4 million for the Water Resources Research Institutes, which have been generally successful in generating funds from non-USGS sources and may be self-supporting.

**Biological Research** — The 2006 budget requests \$172.9 million in biological research and proposes expanding biological research programs to find solutions and assist in the mitigation of biological resource problems facing Federal agencies, as well as State, local, and tribal governments. The budget proposes increases of \$750,000 to expand on science needed by Interior bureaus, \$750,000 to expand research in the Grand Canyon, \$252,000 for deepwater fisheries research in the Great Lakes, \$300,000

for invasive species research, and \$250,000 for ecological systems mapping. The budget also includes a decrease of \$4.4 million in lower priority earmarks.

**Science Support, Enterprise Information, and Facilities** — The 2006 budget requests \$214.8 million for these activities, a \$10.3 million increase over the 2005 enacted level. The request includes increases of \$1.2 million for the USGS portion of the Enterprise Services Network, \$1.0 million for the certification and accreditation of USGS information technology systems, and \$1.0 million for e-government initiatives.

**Other Program Changes** — The budget also includes reductions in anticipation of \$2.0 million in savings stemming from better management of travel within the bureau, \$250,000 from continuing to improve management of the USGS motor vehicle fleet, and \$1.5 million from better management of lease agreements and the closure of facilities and termination of leases related to the minerals resource reduction.

**Fixed Costs** — Fixed cost increases for the USGS total \$17.1 million and are fully funded.

**SUMMARY OF BUREAU APPROPRIATIONS**  
**(all dollar amounts in thousands)**

***Comparison of 2006 Request with 2005 Enacted:***

	2005 Enacted FTE	2006 Request FTE		Change from 2005 FTE		Change from 2005 Amount
	Amount	Amount		FTE		Amount
Appropriations						
Surveys, Investigations, & Research .....	6,007	935,464	5,795	933,515	-212	-1,949
Permanents, Trust Funds, & Others						
Operations & Maintenance of Quarters.....	0	55	0	51	0	-4
Contributed Funds.....	0	750	0	750	0	0
Working Capital Fund.....	207	0	208	0	1	0
Subtotal, Permanents, Trust Funds, & Others....	207	805	208	801	1	-4
Transfers & Reimbursables .....	2,736	0	2,821	0	85	0
<b>TOTAL, U.S. GEOLOGICAL SURVEY.....</b>	<b>8,950</b>	<b>936,269</b>	<b>8,824</b>	<b>934,316</b>	<b>-126</b>	<b>-1,953</b>

<sup>1/</sup> The total for 2005 does not include \$1.0 million for disaster supplemental.

**HIGHLIGHTS OF BUDGET CHANGES**  
**By Appropriation Activity/Subactivity**

**APPROPRIATION: Surveys, Investigations, and Research**

	2004 Actual	2005 Enacted	2006 Request	Change from 2005 Enacted
Mapping, Remote Sensing, & Geographic Investigations				
Cooperative Topographic Mapping .....	80,843	71,393	71,882	+489
Land Remote Sensing .....	33,678	32,730	52,396	+19,666
Geographic Analysis/Monitoring .....	15,238	14,628	15,175	+547
Subtotal, Mapping.....	129,759	118,751	139,453	+20,702
Geologic Hazards, Resource, & Processes				
Geologic Hazards Assessments .....	75,283	75,979	82,209	+6,230
Geologic Landscape/Coastal Assess....	78,351	76,253	77,228	+975
Geologic Resource Assessments .....	80,549	77,014	48,699	-28,315
Subtotal, Geologic Hazards .....	234,183	229,246	208,136	-21,110
Water Resources Investigations				
Hydrologic Monitor, Assess, & Rsch....	145,297	142,454	140,401	-2,053
Cooperative Water Program.....	63,995	62,337	63,770	+1,433
Water Resources Rsch Act Program .....	6,422	6,409	0	-6,409
Subtotal, Water Resources.....	215,714	211,200	204,171	-7,029
Biological Research				
Biological Research/Monitoring.....	135,110	133,130	134,348	+1,218
Biological Info Mgmt/Delivery .....	24,662	23,999	24,149	+150
Cooperative Research Units .....	14,757	14,570	14,428	-142
Subtotal, Biological Research.....	174,529	171,699	172,925	+1,226

	2004 Actual	2005 Enacted	2006 Request	Change from 2005 Enacted
Enterprise Information				
Enterprise Info Security & Tech .....	0	22,714	25,237	+2,523
Enterprise Information Resources .....	0	16,989	17,153	+164
Fed. Geographic Data Coordination ....	0	4,670	5,377	+707
Subtotal, Enterprise Information .....	0	44,373	47,767	+3,394
Science Support .....	90,810	65,584	66,337	+753
Facilities .....	92,989	94,611	94,726	+115
TOTAL APPROPRIATION .....	937,984	935,464	933,515	-1,949

### *Highlights of Budget Changes*

	<u>Amount</u>
Fixed Costs	[+17,055]
Mapping, Remote Sensing, and Geographic Investigations	
Cooperative Topographic Mapping	+489
A decrease (-\$986) eliminates an unrequested earmark for flood mapping in North Carolina. Decreases are proposed for savings (-\$85) from improved management of the USGS vehicle fleet and reduced travel and transportation. Fixed cost increases total \$1,560.	
Land Remote Sensing	+19,666
The budget proposes an increase (+\$12,000) to cover the shortfall in revenue due to the failure of the scan line corrector on board Landsat 7. The funding will enable the program to continue to provide critically needed Landsat products, despite the loss of product sales revenue on which the program depended. The budget also proposes an increase (+\$7,450) to provide funding for the development of ground processing systems to receive, process, and archive data that will be delivered from the Landsat Data Continuity Mission, expected to be launched in 2009. Decreases are proposed for savings (-\$43) from improved management of the USGS vehicle fleet and reduced travel and transportation. Fixed cost increases total \$259.	
Geographic Analysis and Monitoring	+547
The budget proposes an increase (+\$250) to develop methods to ensure that science better informs decisionmaking, especially with respect to western water issues. Decreases are proposed for savings (-\$28) from improved management of the USGS vehicle fleet and reduced travel and transportation. Fixed cost increases total \$325.	
Geologic Hazards, Resources, and Processes	
Geologic Hazard Assessments	+6,230
The budget proposes an increase (+\$864) for equipment purchases and deployment costs to expand modernization of the volcano monitoring network at the most threatening volcanoes within the United States and its territories, in particular Mount Saint Helens and other Cascades volcanoes, the Aleutian Islands, and the Commonwealth of the Northern Mariana Islands. The budget also proposes an increase (+\$4,416) to provide resources for operation and maintenance of seismic monitoring equipment to support development of a global tsunami warning system. A decrease is proposed for savings (-\$126) from reduced travel and transportation. Fixed cost increases total \$1,076.	
Geologic Landscape and Coastal Processes	+975
The budget proposes a decrease (-\$247) to reduce efforts on an unrequested earmark for studies of the impact of African dust on U.S. ecosystems. The budget also proposes a decrease (-\$1,248) that will bring to completion a study of coastal erosion in South Carolina. The budget proposes an increase (+\$1,000) to conduct research that will provide geologic and geospatial information for assessments of regional tsunami hazard potential. The budget proposes an increase (+\$912)	

	<u>Amount</u>
to expand USGS interdisciplinary studies to provide the science needed for habitat restoration in the Puget Sound nearshore ecosystem. Decreases are proposed for savings (-\$192) from improved management of the USGS vehicle fleet and reduced travel and transportation. The budget includes a technical adjustment (-\$437) to consolidate the funding for Science on the DOI Landscape into a single budget line item for more effective management of funds that respond to continuously changing priorities. Fixed cost increases total \$1,187.	
<b>Geologic Resource Assessments</b>	-28,315
To provide resources for implementation of higher priority projects in other areas of the Department and the USGS, the budget proposes a decrease (-\$28,478) for the Mineral Resources program that will discontinue or reduce 38 lower priority projects related to basic geologic, geochemical, geophysical, and mineral deposit data for the Nation; global mineral resource assessments of critical mineral commodities; research on aggregates and industrial minerals; research on inorganic toxins; and the Mineral Resources External Research Grant program. The reduction will also terminate data collection and analysis for 100 mineral commodities in 180 countries outside the U.S. The budget also proposes decreases of unrequested earmarks for Federal support for preservation of cores, samples, maps, and descriptive materials documenting the discovery and nature of Alaska's mineral and energy resources (-\$98); and partnerships with Alaska State and academic organizations to collect basic geologic, geochemical, and geophysical data to encourage economic development in Alaska (-\$1,134). The budget also proposes a decrease (-\$500) to significantly reduce USGS research on the sources and potential geologic sequestration options for carbon dioxide, a greenhouse gas emitted during fossil fuel combustion. The budget proposes an increase (+\$500) to begin a three-year investigation of the nature and extent of geothermal systems in the western United States capable of producing electrical power. A decrease is proposed for savings (-\$164) from reduced travel and transportation. The budget includes a technical adjustment (-\$25) to consolidate the funding for Science on the DOI Landscape into a single budget line item for more effective management of funds that respond to continuously changing priorities. Fixed cost increases total \$1,584.	
<b>Water Resources Investigations</b>	
<b>Hydrologic Monitoring, Assessments, and Research</b>	-2,053
The budget proposes an increase (+\$400) to begin a broad, multi-State assessment of ground-water depletion. The proposed decreases in Toxic Substances Hydrology will end an unrequested earmarked study of the Roubidoux Aquifer (-\$1,460) and a lower priority project that addresses petroleum-related contamination (-\$227). The proposed decrease in Hydrologic Research and Development will end several unrequested earmarks: a study at Berkeley Pit Lake (-\$195), a study of ground-water in the Potomac River Basin (\$296); a study with the States of Washington and Oregon of the Rathdrum Prairie / Spokane Valley aquifer system (-\$493); some work underway in the Chesapeake Bay program (-\$247); a fish mortality study in Hood Canal, Washington (-\$345); and USGS participation in the interagency San Pedro Partnership (-\$247). The budget proposes decreases to reduce expanded water-quality monitoring for mercury and other substances in Lake Champlain (-\$291), to reduce expanded monitoring of water resources in Hawaii (-\$437), and to stop the collection of hydrologic data to establish base lines to detect future changes in surface-water quality related to extraction of coalbed methane in the Tongue River watershed of Montana (-\$877). Decreases are proposed for savings (-\$557) from improved management of the USGS vehicle fleet and reduced travel and transportation. The budget includes a technical adjustment (-\$366) to consolidate the funding for Science on the DOI Landscape into a single budget line item for more effective management of funds that respond to continuously changing priorities. Fixed cost increases total \$3,585.	
<b>Cooperative Water Program</b>	+1,433
Decreases are proposed for savings (-\$278) from improved management of the USGS vehicle fleet and reduced travel and transportation. Fixed cost increases total \$1,711.	
<b>Water Resources Research Act Program</b>	-6,409
The proposed decrease (-\$6,409) eliminates USGS funding for each of the 54 State Water Resources Research Institutes that have been generally successful in generating non-Federal sources of funding and should be able to support themselves.	

	<u>Amount</u>
Biological Research	
Biological Research and Monitoring	+1,218
Proposed increases include funding for ecological systems mapping (+\$250), for the Great Lakes Deepwater Fisheries Program (+\$252), to provide support for the Science on Interior's Landscape initiative (+\$750), to support biological and geological research for better decisionmaking in the Glen Canyon Dam Adaptive Management Program (+\$750), and to support the development of innovative control methodologies for invasive plants (+\$300). Decreases (-\$4,057) are proposed for unrequested earmarks for lower priority studies for Mark Twain National Forest, pallid sturgeon, diamondback terrapins, the grizzly bear population in Montana, the ground-water supply at Leetown Science Center, fishery genetics research in the Northeast and Mid-Atlantic regions, manatees, the Delaware River Basin, and a portion of a general program increase. Decreases are proposed for savings (-\$420) from improved management of the USGS vehicle fleet and reduced travel and transportation. The budget includes a technical adjustment (+\$828) to consolidate the funding for Science on the DOI Landscape into a single budget line item for more effective management of funds that respond to continuously changing priorities. Fixed cost increases total \$2,565.	
Biological Information Management and Delivery	+150
A decrease is proposed for savings (-\$67) from reduced travel and transportation. Fixed cost increases total \$217.	
Cooperative Research Units	-142
The budget proposes decreases to eliminate funds for the Nebraska Cooperative Research Unit (-\$395) and a portion of an unrequested general program increase (-\$55). Decreases are proposed for savings (-\$35) from improved management of the USGS vehicle fleet and reduced travel and transportation. Fixed cost increases total \$343.	
Enterprise Information	
Enterprise Information Security and Technology	+2,523
Proposed increases to the budget include funding to ensure the certification and accreditation of information system security (+\$1,059) and to support the Department-wide implementation of the Enterprise Services Network (+\$1,235). A decrease is proposed for savings (-\$27) from reduced travel and transportation. Fixed cost increases total \$256.	
Enterprise Information Resources	+164
A decrease is proposed for savings (-\$21) from reduced travel and transportation. Fixed cost increases total \$185.	
Federal Geographic Data Coordination	+707
The budget proposes an increase (+\$680) for disaster management. A decrease is proposed for savings (-\$7) from reduced travel and transportation. Fixed cost increases total \$34.	
Science Support	+753
The proposed budget provides an increase (+\$371) for e-government initiatives. The USGS will spend \$405 within base on competitive sourcing studies. A decrease is proposed for savings (-\$200) from reduced travel and transportation. Fixed cost increases total \$582.	
Facilities	+115
The budget proposes a decrease (-\$1,471) to reduce expenditures for facilities commensurate with FTE reductions anticipated as a result of significant program reductions elsewhere in the budget. Fixed cost increases total \$1,586.	





# FISH AND WILDLIFE SERVICE

**Mission** — The mission of the U.S. Fish and Wildlife Service is working with others to conserve, protect, and enhance fish, wildlife, plants, and their habitats for the continuing benefit of the American people.

**Program Overview** — The FWS major responsibilities are to protect and conserve migratory birds, threatened and endangered species, certain marine mammals, and inter-jurisdictional fish. To accomplish its mission, FWS seeks opportunities to partner with farmers and ranchers, State and local governments, Federal agencies, Tribes, citizen volunteers, corporations, and conservation groups.

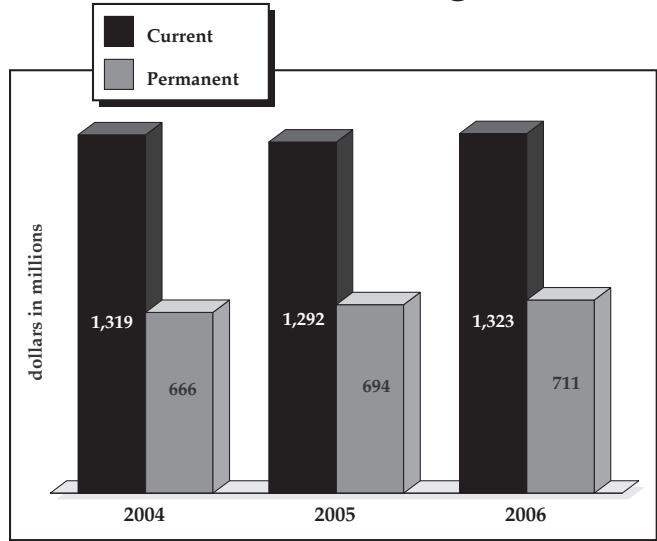
The national wildlife refuge system is among the world's most significant land and water systems managed for the benefit of fish and wildlife. The nearly 96 million-acre network provides stepping stones of habitat for many species of migratory birds and other wildlife, sanctuary for hundreds of threatened and endangered species, and secure spawning areas for healthy wild salmon fisheries. The system includes 545 refuges and 37 wetlands management districts. These refuges provide recreational opportunities for photography, hiking, fishing, hunting, and education programs for 39 million visitors annually.

The FWS fisheries program helps safeguard inter-jurisdictional fisheries worth billions of dollars; rescues troubled aquatic species on the brink of extinction; and provides recreational opportunities for the public. Sixty-nine national fish hatcheries produce about 139 million fish annually, including striped bass, steelhead, lake trout, and salmon. In addition, FWS operates one historic national fish hatchery, seven fish technology centers, and nine fish health centers.

In administering the Endangered Species Act, FWS strives to ensure a strong scientific basis for its decisions; facilitate large-scale planning accommodating land use and protection of wildlife habitat; and promote innovative public-private partnerships, including financial and technical assistance to private landowners.

The FWS also plays a major role in the conservation of international wildlife resources as the lead agency for

## FWS Funding



implementing U.S. treaty commitments for migratory birds, endangered species, wildlife trade, arctic species, wetlands, some marine mammal species, and biological resources of the western hemisphere.

**Management Excellence** — The FWS continues to follow the President's management agenda for improving management and performance of the Federal government, practicing the Secretary's vision for citizen-centered management excellence. The FWS has worked diligently to develop program specific, outcome based performance measures that step down from the goals in the Interior Department's strategic plan finalized in 2003. This effort fosters a cohesive approach to mission performance for improved program and service delivery, new technological capabilities, enhanced inter-bureau cooperation, and improved standards of accountability that stretch across the entire Department.

The budget request includes several proposals that result from management reviews of FWS activities. For example, it proposes a strategic realignment of the FWS

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Environmental Contaminants program, refocusing efforts on restoration activities and emphasizing cooperation with the Department's Natural Resource Damage Assessment and Restoration Program.

The budget also proposes increases for the migratory bird management program. This program underwent a Program Assessment Rating Tool evaluation during formulation of the 2006 budget. Previous internal reviews of this program, as well as the PART evaluation, have led to a concerted effort on the part of FWS to institute management improvements and more closely align the budget with program performance goals. Based on this effort, the program has undertaken a number of measures to ensure that it is using available resources in the most effective and efficient manner.

**Budget Overview** — The 2006 request for current appropriations totals \$1.3 billion, an increase of \$30.9 million over 2005. The budget also includes \$710.9 million available under permanent appropriations, most of which will be provided directly to States for fish and wildlife restoration and conservation.

More than 79 percent of the FWS current request supports the Department's mission goal for resource protection, with remaining resources devoted to achieving resource use, recreation, and serving communities mission goals.

The 2006 budget re-emphasizes the importance in achieving the land and water conservation goals set forth in the Land and Water Conservation Fund Act by requesting \$386.9 million; a \$60.5 million increase over the 2005 level for the same purpose.

**Cooperative Conservation Partnerships** — The 2006 budget includes \$345.9 million for cooperative conservation programs funded in FWS through the Land and Water Conservation Fund. These partnership programs emphasize local input and cooperative decisionmaking to achieve land management and resource goals.

The budget includes a \$7.7 million increase for refuge challenge cost share grants. These matching grants fund dynamic partnerships with individuals, Tribes, State and local governments, non-profit organizations, and others to carry out resource protection projects on or near Federal lands.

There are a number of other programs funded from LWCF within the Resource Management account. The Partners for Fish and Wildlife program is funded at \$52.2 million, which includes a net programmatic increase of \$4.2 million. The FWS will use this increase to provide additional high quality and timely technical conservation

assistance to interested partners, foster trust and long-term relationships with landowners, and work collaboratively with landowners to incorporate fish and wildlife habitat restoration into farm and ranch operations.

The Resource Management account also includes \$14.9 million for the Coastal program, a programmatic increase of \$3.0 million above the 2005 level. With this increase, the Coastal program will focus on eradicating invasive species in salt marshes and riparian wetlands in California and removing and assessing invasive plants in the Puget Sound area. The Migratory Bird Joint Ventures program is funded at \$12.9 million, a programmatic increase of \$2.6 million above the 2005 level. With this increase, FWS, in conjunction with partners, will develop six new joint ventures.

State and Tribal Wildlife grants, funded at \$74.0 million, provide financial assistance for development of wildlife conservation plans and on-the-ground conservation projects to stabilize, restore, enhance, and protect species and their habitats that are of conservation concern. This is a \$5.0 million increase over 2005. States receive funding based on a statutory formula; the tribal portion of the program is competitive.

The 2006 request for the Landowner Incentive program is \$40.0 million, an \$18.3 million increase above the 2005 level. The program provides matching, competitive grants to States, the District of Columbia, Territories, and federally recognized Tribes to establish or supplement existing programs that provide technical and financial assistance to private landowners to help them protect and manage imperiled species and their habitat, while continuing to engage in traditional land use or working land conservation practices. The program provides an opportunity for all States to develop the capacity to implement programs modeled after several innovative State programs.

The \$10.0 million Private Stewardship program provides grants and other assistance on a competitive basis to individuals and groups engaged in local, private, and voluntary conservation efforts that benefit listed, proposed, candidate, or other at-risk species. Typical projects may include managing non-native species; implementing measures to minimize risk from disease; restoring streams that support imperiled species; or planting native vegetation to restore rare plant communities. The request is a \$3.1 million increase over the 2005 level.

The request for the Cooperative Endangered Species Conservation Fund is \$80.0 million, \$462,000 below 2005. This program provides grants to States for activities that conserve threatened and endangered species. States can, in turn, pass the funding on to municipalities, Tribes, and

private landowners to enlist their support in species conservation efforts. The CESCF program provides funding for habitat conservation planning and land acquisition programs that assist States, local governments, and landowners in protecting habitat within or near areas covered by habitat conservation plans. It also provides funding to implement candidate conservation agreements; recovery actions; other State initiatives to conserve candidate, proposed, and listed species; and administration.

The budget proposes \$49.9 million for the North American Wetlands Conservation Fund, \$12.5 million above 2005. This funding will support wetlands and migratory bird conservation activities by providing matching grants to private landowners, States, non-governmental conservation organizations, Tribes, trusts, corporations, and other Federal agencies for acquisition, restoration, and enhancement of wetland habitat. This requested increase—together with partner funds—is estimated to protect and restore an additional 2.5 million acres of valuable habitat in the U.S., Canada, and Mexico.

**Operations** — The 2006 request for the principal FWS operating account, Resource Management, is \$985.6 million, an increase of \$22.6 million compared to 2005. Included within the 2006 total is a \$2.0 million increase for a science excellence initiative. This initiative will support the Secretary's Four C's vision by fostering additional scientific partnerships outside of FWS, targeting and acquiring important scientific data, and improving science performance within FWS.

The budget includes \$140.1 million for administering the Endangered Species Act operations, a net programmatic decrease of \$5.7 million compared to 2005. A programmatic increase of \$1.9 million to meet the litigation-driven workload of the endangered species listing program is offset by reductions in funding for unrequested earmarks.

Operation and maintenance of the national wildlife refuge system is funded at \$393.9 million, a net program increase of \$7.9 million. The refuge system also decreases fleet costs by \$1.0 million. Increases within this total include \$7.7 million for the challenge cost share program, \$2.1 million for law enforcement activities, and \$1.0 million for invasive species eradication at Loxahatchee NWR.

The 2006 budget provides a program increase of \$3.1 million for migratory bird management conservation and monitoring. This increase will allow development of detailed management plans that describe and prioritize the requirements to make focus species healthy and sustainable, as well as to perform annual functions necessary to establish legally defensible migratory gamebird hunting seasons.

The budget provides a total of \$57.6 million for law enforcement, a programmatic increase of \$1.1 million compared to 2005. This includes increases of \$555,000 for the creation of an internal affairs program and \$500,000 for an incident management analysis and reporting system.

The budget includes a total of \$107.7 million for the Fisheries program, a net programmatic decrease of \$9.1 million compared to 2005. Within this level of funding is a \$2.3 million programmatic increase for hatchery operations. Reductions include discontinuing funding for unrequested earmarks and programmatic reductions to fund other, higher priority activities. For example, the budget discontinues funding of \$2.1 million for Washington State fish marking; a project that does not directly relate to the FWS performance goals.

**Construction** — The request for construction is \$19.7 million, of which \$8.8 million is for construction projects. This is a \$31.7 million reduction for projects compared to 2005. The budget request supports the highest priority projects identified in the FWS five-year construction plan. Highlights include \$2.5 million for wastewater treatment at Craig Brook NFH in Maine and \$1.5 million for seismic safety improvements at the Kofa NWR in Arizona.

**Land Acquisition** — The 2006 request for the Land Acquisition appropriation totals \$41.0 million, of which \$26.0 million is for line-item land acquisition for acquiring interests in lands, including easements that provide important fish and wildlife habitat. This is an increase of \$3.4 million for projects compared to 2005. Highlights include \$6.0 million for acquisition at the Upper Klamath Lake NWR in Oregon, and \$10.0 million for conservation easements on the Quinault Indian Reservation in Washington to protect federally-listed species.

**Multinational Species Conservation Fund** — The request includes a total of \$8.3 million for the Multinational Species Conservation Fund, including \$4.0 million for the Neotropical Migratory Bird Conservation Fund and \$300,000 for new marine sea turtle grants. Compared to the 2005 total for neotropicals and multinational species conservation, this is a \$1.4 million decrease.

**Information Technology** — The Department is migrating its portfolio to enterprise business processes and technologies. A key component for successful implementation of this strategy is the Enterprise Services Network, a modern, integrated network backbone that will provide the infrastructure to integrate resources within the Department.

Additionally, the 2006 budget request supports implementation of the Administration's high pay-off e-government initiatives to integrate agency operations and information

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technology investments. These initiatives eliminate redundant systems and significantly improve the government's quality of customer service for citizens and businesses. The budget proposes a net increase of \$926,000 for information technology improvements.

**Other Program Changes** — The request includes a decrease of \$1.3 million for anticipated savings related to improved fleet management, and a decrease of \$901,000 resulting from improved management of space.

**Fixed Costs** — The 2006 request includes an increase of \$19.7 million to fully fund fixed cost increases.

**SUMMARY OF BUREAU APPROPRIATIONS**  
**(all dollar amounts in thousands)**

**Comparison of 2006 Request with 2005 Enacted:**

	2005 Enacted FTE	2006 Request Amount	2006 Request FTE	Change from 2005 FTE	Change from 2005 Amount
<b>Appropriations</b>					
Resource Management .....	7,357	962,940	7,387	+30	+22,623
Construction .....	150	52,658	150	0	-32,982
Land Acquisition.....	93	37,005	93	0	+3,987
Landowner Incentive Grants.....	7	21,694	7	0	+18,306
Private Stewardship Grants.....	4	6,903	4	0	+3,097
Cooperative Endangered Species Fund.....	6	80,462	6	0	-462
National Wildlife Refuge Fund -					
Payments in Lieu of Taxes .....		14,214		14,414	0
North American Wetlands Conservation Fund.....	11	37,472	11	0	+12,477
Multinational Species Conservation Fund .....	3	5,719	5	+2	+2,581
Neotropical Migratory Bird Grants .....	2	3,944	0	-2	-3,944
State and Tribal Wildlife Grants.....	8	69,028	8	0	+4,972
Subtotal, Appropriations <sup>1/</sup> .....	<u>7,641</u>	<u>1,292,039</u>	<u>7,671</u>	<u>+30</u>	<u>+30,855</u>
<b>Mandatory Appropriations</b>					
Recreation Fee Demonstration Program.....	33	4,200	33	0	0
Migratory Bird Conservation Account .....	73	44,600	73	0	+400
National Wildlife Refuge Fund.....	28	6,400	28	0	+100
North American Wetlands Conservation Fund.....	0	7,744	0	500	-7,244
Sport Fish Restoration Account .....	59	338,697	59	0	+22,508
Federal Aid in Wildlife Restoration.....	59	249,648	59	0	-90
Miscellaneous Permanent Appropriations.....	6	2,760	6	0	0
Contributed Funds.....	15	4,100	15	0	0
Cooperative Endangered Species Fund .....	0	35,527		37,067	0
Subtotal, Mandatory Appropriations.....	<u>273</u>	<u>693,676</u>	<u>273</u>	<u>0</u>	<u>+17,214</u>
<b>Reimbursements and allocation transfers</b>					
Reimbursements.....	720	0	720	0	0
Job Corps .....	115	0	115	0	0
Firefighting.....	505	0	505	0	0
Hazardous Fuels End. Species Consultations.....	53	0	53	0	0
NRDAR.....	49	0	49	0	0
Hazardous Materials .....	8	0	8		0
Federal Roads (FHWA) .....	12	0	12	0	0
Forest Pest (Agriculture) .....	2	0	2	0	0
Subtotal, Reimburse & Allocation Transfers .....	<u>1,464</u>	<u>0</u>	<u>1,464</u>	<u>0</u>	<u>0</u>
<b>TOTAL, FISH AND WILDLIFE SERVICE.....</b>	<b>9,378</b>	<b>1,985,715</b>	<b>9,408</b>	<b>2,033,784</b>	<b>+30</b>
					<b>+48,069</b>

<sup>1/</sup> The total for 2005 does not include \$1.083 million transfer from NPS for Everglades Restoration nor \$40.6 million for disaster supplemental.

**HIGHLIGHTS OF BUDGET CHANGES**  
**By Appropriation Activity/Subactivity**

**APPROPRIATION: Resource Management**

	2004 Actual	2005 Enacted	2006 Request	Change from 2005 Enacted
<b>Ecological Services</b>				
<b>Endangered Species</b>				
Candidate Conservation .....	9,785	9,255	8,252	-1,003
Listing .....	12,135	15,960	18,130	+2,170
Consultation.....	47,074	48,129	49,484	+1,355
Recovery .....	67,762	69,870	64,243	-5,627
Subtotal, Endangered Species .....	136,756	143,214	140,109	-3,105
Habitat Conservation .....	87,117	94,457	101,978	+7,521
Environmental Contaminants .....	10,659	10,901	8,486	-2,415
Oil Spill Fund Transfer from DM.....	5	0	0	0
Subtotal, Ecological Services .....	234,537	248,572	250,573	+2,001
<b>National Wildlife Refuge System <sup>1/</sup></b>				
Wildlife and Habitat Management.....		143,592	152,950	+9,358
Visitor Services .....		63,503	61,973	-1,530
Refuge Law Enforcement.....		25,521	27,780	+2,259
Conservation Planning.....		13,382	13,504	+122
Subtotal, Operations .....		[245,998]	[256,207]	[+10,209]
Refuge Maintenance .....		135,021	137,687	+2,666
Subtotal, NWR System .....	406,513	381,019	393,894	+12,875
<b>Migratory Bird Mgt and Law Enforce</b>				
Migratory Bird Management.....	32,586	35,451	41,635	+6,184
<b>Law Enforcement</b>				
Operations.....	51,549	54,110	56,590	+2,480
Maintenance.....	2,098	1,505	1,022	-483
Subtotal, Law Enforcement .....	53,647	55,615	57,612	+1,997
Subtotal, Wildlife and Law Enforce.....	86,233	91,066	99,247	+8,181
<b>Fisheries</b>				
<b>Hatchery Operations &amp; Maintenance</b>				
Hatchery Operations .....	39,014	37,925	40,990	+3,065
Hatchery Maint. & Rehabilitation ....	18,979	18,987	16,980	-2,007
Subtotal, Hatchery Ops & Main.....	57,993	56,912	57,970	+1,058
<b>Fish and Wildlife Management Asst.</b>				
Anadromous Fish Management .....	10,291	10,215	10,465	+250
Fish & Wildlife Assistance .....	41,468	43,473	36,735	-6,738
Marine Mammals .....	4,569	4,572	2,485	-2,087
Subtotal, Fish & Wildlife Mngt Asst.	56,328	58,260	49,685	-8,575
Subtotal, Fisheries .....	114,321	115,173	107,656	-7,517
<b>General Operations</b>				
Science Excellence Initiative .....	0	0	2,000	+2,000
Central Office Operations.....	17,062	27,120	27,827	+707
Regional Office Operations.....	23,494	39,992	40,807	+815
Administrative efficiencies .....		-2,025	-2,025	
Operational Support.....	56,999	25,625	30,736	+5,111
International Affairs.....	8,472	9,554	9,549	-5
Caddo Lake Ramsar Center.....	[395]	[394]	[0]	[-394]

	2004 Actual	2005 Enacted	2006 Request	Change from 2005 Enacted
Nat'l Conservation Training Ctr .....	16,772	17,058	17,829	+771
National Fish & Wildlife Foundation...	7,575	7,761	7,470	-291
Subtotal, General Operations .....	130,374	127,110	134,193	+7,083
<b>TOTAL APPROPRIATION</b> .....	<b>971,978</b>	<b>962,940</b>	<b>985,563</b>	<b>+22,623</b>

<sup>1/</sup> The budget request includes a proposal to revise the National Wildlife Refuge System budget. The 2005 enacted and 2006 request are shown in the proposed structure. Additional information on this proposal is provided in the FWS Justification.

## Highlights of Budget Changes

	<u>Amount</u> [+19,182]
Fixed Costs	
Endangered Species	-3,105
Candidate Conservation: General program activities are increased by \$106. The budget includes reductions for Idaho sage grouse (-\$296); Kootenai River burbot (-\$148); slickspot peppergrass control (-\$60); Tahoe yellow cress (-\$99); California fisher (-\$296); and the Pacific Northwest Forest Plan (-\$382). Savings in vehicle costs are anticipated due to improved management (-\$2). Fixed costs total \$174.	
Listing: Funding for critical habitat designations is increased by \$1,458 and listing is increased by +\$483. These increases will be used to meet resource protection goals and address the listing program's litigation-driven workload. Fixed costs total \$230.	
Consultation: Additional Section 7 efforts will be prioritized with \$1,259 for key focus areas including implementation of the joint pesticide regulations, oil development, and the Forest Plan. Funding directed to support California Natural Communities Conservation Plan HCP partners is reduced (-\$986) in light of funding support for those efforts being available through other Service grant programs. Savings in vehicle costs are anticipated due to improved management (-\$4). Fixed costs total \$1,086.	
Recovery: An increase of \$2,102 will support completion of a number of outstanding recovery plans. An increase of \$1,000 will be used to work with partners on tamarisk control priorities in the southwest. The budget request includes reductions as follows: Platte River Recovery (-\$986) wolf recovery efforts in Idaho, Montana and Wyoming (-\$1,180); pass through grants for Pacific (-\$1,972) and Atlantic (-\$1,972) salmon; manatee protection and recovery (-\$487) and manatee rescue and carcass salvage (-\$197); Lahontan cutthroat trout (-\$493); pass through funding to the Alaska Sea Life Center (-\$1,281); Colorado River fish recovery (-\$690); West Virginia mussel recovery (-\$345); and Concho water snake delisting (-\$247). Savings in vehicle costs are anticipated due to improved management (-\$29). Fixed costs total \$1,150.	
Habitat Conservation	+7,521
Partners for Fish and Wildlife: Restoration projects will be implemented in the Upper Klamath basin with private landowners (+\$5,272) and other stakeholders. National priorities will be implemented with an increase (+\$11,985) to restore an additional 150,000 acres and improve an additional 278 miles of stream and riparian habitats. The High Plains Partnership is eliminated (-\$986). The budget request includes reductions as follows: pass through funding to Washington State (-\$1,381); Vermont bald eagles (-\$99); invasive species projects (-\$2,763) for spartina grass, the State of Hawaii, Lake Sakakawea, and national priorities; Hawaii community conservation (-\$740); the Nevada Biodiversity Research Center (-\$1,233); Montana cold water fish (-\$493); the Audubon Society Lake Umbagog study (-\$419) and New Hampshire Lakes Association surface water study (-\$54); Thunder Basin Grasslands initiative (-\$247); Georgia streambank restoration (-\$493); Taconic watershed in Pennsylvania (-\$740); Walla Walla fish passage (-\$247); Starkville, Mississippi wildlife enhancement (-\$986); technical assistance for the New Jersey Meadowlands project (-\$177); Susquehanna River fish passage (-\$493); geographic information system study of	

	<u>Amount</u>
refuges by non-governmental organizations (-\$986); and restoration at Don Edwards refuge in San Francisco Bay (-\$532). Savings in vehicle costs are anticipated due to improved management (-\$68). Fixed costs total \$543.	
Project Planning: Lower priority projects in Project Planning will be eliminated, including Montana wildlife conservation plan development (-\$394); Middle Rio Grande Bosque initiative (-\$542); Cedar City, Utah (-\$99); and Forest Plan activities will be reduced (-\$266). General program activities are increased (+\$224). Savings in vehicle costs are anticipated due to improved management (-\$10). Fixed costs total \$645.	
Coastal Program: Additional funding will be used to restore high priority coastal habitats in Alaska, the Great Lakes and tidal marshes in the southeast (+\$3,637). The budget includes reductions as follows: Long Live the Kings (Chinook salmon) and Hood Canal salmon enhancement in Washington (-\$370); and the Tampa and Florida Panhandle field offices (-\$290). Savings in vehicle costs are anticipated due to improved management (-\$1). Fixed costs total \$184.	
National Wetlands Inventory: General program activities are increased (+\$65). Fixed cost increases total \$76.	
<b>Environmental Contaminants</b>	-2,415
The budget proposes to use the Department's Natural Resource Damage Assessment fund to complete assessment and restoration projects. This allows the Service to request an appropriations decrease (-\$2,649) and will make the environmental contaminants program more restoration focused while continuing to support ongoing priorities. Savings in vehicle costs are anticipated due to improved management (-\$1). Fixed costs total \$235.	
<b>National Wildlife Refuge System</b>	+12,875
The refuge budget is presented with five sub-activities instead of the traditional two. The proposed new subactivities include wildlife and habitat management, visitor services, refuge law enforcement, and conservation planning, which were previously included under refuge operations; and maintenance. The budget requests operations increases for: the challenge cost share program (+\$7,661) for on the ground projects; invasive species control efforts at Loxahatchee NWR and strike teams (+\$2,000); the deferred maintenance program (+\$386); equipment replacement (+\$552); annual maintenance (+\$338); and law enforcement to hire eight refuge law enforcement officers and two zone officers (+\$2,101). Reductions include: visitor facility enhancements (-\$1,972); lower priority invasive species control projects and other unrequested activities (-\$1,600); and other lower priority base activities (-\$1,596). Of note, operations for Midway Atoll NWR are funded at the enacted level of \$3,826. Full details on the proposal are included in the FWS budget justification. Savings in vehicle costs are anticipated due to improved management (-\$1,007). Fixed costs total \$6,012.	
<b>Migratory Bird Management and Law Enforcement</b>	+8,181
Migratory Birds: A major increase (+\$3,074) will enhance ability to design surveys and analyze survey data and to develop and implement processes for focus species management. Joint Venture funding is increased (+\$2,581) to provide additional support for existing Joint Ventures and to implement six new Joint Ventures. Other changes include an increase for the permits program (+\$23) and the Duck Stamp Office (+\$8). Savings in vehicle costs are anticipated due to improved management (-\$18). Fixed costs total \$516.	
Law Enforcement: High priority law enforcement activities will be implemented to ensure professional responsibility, comply with Interior mandated computer integration for the IMARS project, enhance forensics capabilities, and increase operations field support with six additional agents (+\$1,989). Other increases include: funding for Everglades activities (+\$9) and deferred maintenance (+\$2). The budget reduces operations funding for the Ports of Entry at Atlanta, Georgia; Memphis, Tennessee; and Louisville, Kentucky (-\$545). The budget also reduces law enforcement maintenance (-\$372). Savings in vehicle costs are anticipated (-\$113). Fixed costs total \$1,026.	

	<u>Amount</u>
Fisheries	-7,517
Hatchery Operations and Maintenance: Hatchery operations funding (+\$2,275) and maintenance funding (+\$407) are increased to carry out high priority projects. The budget includes a reduction in funding for the Washington State hatchery improvement project (-\$2,465). Savings in vehicle costs are anticipated due to improved management (-\$68). Fixed costs total \$909.	
Fish and Wildlife Management: Key operations including Alaska subsistence fisheries are increased (+\$281). The budget includes reductions in general program activities (-\$1,141); aquatic nuisance species control (-\$102); whirling disease control (-\$1,113); Montana Wildlife Health Center (-\$394); Washington State mass marking (-\$2,071); fish passage (-\$1,639); Yukon River salmon treaty (-\$353); Great Lakes restoration (-\$493); habitat restoration (-\$158); and Alaska marine mammal projects (-\$2,134). Savings in vehicle costs are anticipated due to improved management (-\$10). Fixed costs total \$752.	

General Operations	+7,083
The Director's science excellence initiative demonstrates a renewed commitment to scientific excellence that will support the mission and employees of the Service and the Secretary's 4 C's (+\$2,000). Funding for the International Affairs Wildlife Trade program (+\$571) and other international conservation general program activities (+\$50) is increased while funding for the Caddo Lake Ramsar Center is eliminated (-\$394) and Wildlife Without Borders' program is reduced (-\$394).	

An additional +\$881 will fund mission related training at the National Conservation Training Center in three critical areas: science, partnerships, and leadership to build employee competencies. Annual maintenance funding at NCTC will be reduced (-\$370). Funding for the National Fish and Wildlife Foundation is decreased (-\$291). Net changes to central office, regional offices, and operational support (-\$633) will be achieved through savings that will be determined using ABC information, efficiency studies, and other processes. Funding for Department-wide information technology programs are increased (+\$926). These programs eliminate redundant systems and significantly improve the government's quality of customer service for citizens and businesses. Savings in vehicle costs are anticipated due to improved management (-\$7) and Service-wide space costs are reduced (-\$901). Fixed costs total \$5,646.

#### **APPROPRIATION: Construction**

	2004 Actual	2005 Enacted	2006 Request	Change from 2005 Enacted
Line Item Construction .....	45,412	40,506	8,770	-31,736
Dam Safety .....	2,648	720	720	0
Bridge Safety .....	568	567	570	+3
Engineering Services .....	11,180	10,865	9,616	-1,249
<b>TOTAL (without fire)</b> .....	<b>59,808</b>	<b>52,658</b>	<b>19,676</b>	<b>-32,982</b>
Fire Repayment .....	11,930	0	0	0
<b>TOTAL (with fire)</b> .....	<b>71,738</b>	<b>52,658</b>	<b>19,676</b>	<b>-32,982</b>

#### ***Highlights of Budget Changes***

	<u>Amount</u>
Fixed Costs	[+327]
Line Item Construction	

Construction projects will address the highest priority health, safety and resource protection needs including dams, bridges and water systems. A detailed list of construction projects is found in Appendix D.

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### APPROPRIATION: Land Acquisition

	2004 Actual	2005 Enacted	2006 Request	Change from 2005 Enacted
Acquisition Management.....	8,394	8,249	7,893	-356
Cost Allocation Methodology .....	2,032	1,972	1,820	-152
Acquisition - Federal Refuge Lands .....	29,700	22,593	26,029	+3,436
Exchanges.....	494	1,726	1,750	+24
Inholdings .....	1,482	1,479	1,750	+271
Emergency and Hardship .....	988	986	1,750	+764
Transfer Quinault funds to BIA.....	-4,968	0	0	0
TOTAL APPROPRIATION ( <i>without fire</i> ) ....	38,122	37,005	40,992	+3,987
Fire Repayment .....	11,358			
TOTAL APPROPRIATION ( <i>with fire</i> ).....	49,480	37,005	40,992	+3,987

#### *Highlights of Budget Changes*

Fixed Costs Amount  
[+163]

Land Acquisition

A detailed list of land acquisition projects is found in Appendix F.

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### APPROPRIATION: Landowner Incentive Program Grants

	2004 Actual	2005 Enacted	2006 Request	Change from 2005 Enacted
TOTAL APPROPRIATION .....	29,630	21,694	40,000	+18,306

#### *Highlights of Budget Changes*

Landowner Incentive Program Grants Amount  
+18,306

The request supports additional high priority matching grants to States, Territories, and Tribes to establish or supplement existing landowner incentive programs that provide technical and financial assistance to private landowners.

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### APPROPRIATION: Private Stewardship Grants

	2004 Actual	2005 Enacted	2006 Request	Change from 2005 Enacted
TOTAL APPROPRIATION .....	7,408	6,903	10,000	+3,097

#### *Highlights of Budget Changes*

Private Stewardship Grants Amount  
+3,097

The request supports additional competitive grant funding for individuals and groups engaged in voluntary conservation efforts on private lands that benefit federally listed, proposed, and candidate or other at-risk species.

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**APPROPRIATION: Cooperative Endangered Species Conservation Fund**

	2004 Actual	2005 Enacted	2006 Request	Change from 2005 Enacted
Section 6 Grants to States				
Traditional Grants to States .....	7,427	7,324	10,000	+2,676
HCP Planning Grants .....	8,643	8,523	7,643	-880
Species Recovery Land Acquisition .....	13,589	13,400	14,186	+786
HCP Land Acquisition Grants/States..	49,384	48,698	45,653	-3,045
Administration .....	2,553	2,518	2,518	0
TOTAL APPROPRIATION .....	81,596	80,462	80,000	-462

*Highlights of Budget Changes*

	<u>Amount</u>
Grants to States	-462
The request supports additional traditional grants to States (+\$2,676) and species recovery land acquisition grants (+\$786); it reduces funding for habitat conservation planning grants (-\$3,925).	

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**APPROPRIATION: National Wildlife Refuge Fund**

	2004 Actual	2005 Enacted	2006 Request	Change from 2005 Enacted
TOTAL APPROPRIATION .....	14,236	14,214	14,414	+200

*Highlights of Budget Changes*

	<u>Amount</u>
Payments to Counties	+200
This increase supports additional payments to counties.	

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**APPROPRIATION: North American Wetlands Conservation Fund**

	2004 Actual	2005 Enacted	2006 Request	Change from 2005 Enacted
TOTAL APPROPRIATION .....	37,532	37,472	49,949	+12,477

*Highlights of Budget Changes*

	<u>Amount</u>
Wetlands Conservation Grants	+12,477
The request increases resource protection and implements additional wetlands restoration grants.	

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**APPROPRIATION: Multinational Species Conservation Fund**

	2004 Actual	2005 Enacted	2006 Request	Change from 2005 Enacted
African Elephant Conservation.....	1,382	1,381	1,000	-381
Rhinoceros & Tiger Conservation.....	1,383	1,477	1,100	-377
Asian Elephant Conservation.....	1,383	1,381	1,000	-381
Great Ape Conservation.....	1,383	1,381	900	-481
Marine Sea Turtle .....	0	99	300	+201
Neotropical Bird Conservation .....	0	0	4,000	+4,000
TOTAL APPROPRIATION .....	5,531	5,719	8,300	+2,581

***Highlights of Budget Changes***

Multinational Species Conservation	Amount
The request increases funding for marine sea turtle conservation (+\$201), and neotropical migratory bird conservation (+\$4,000). It reduces funding for African elephant conservation (-\$381); Asian elephant conservation (-\$381); rhinoceros and tiger conservation (-\$377); and great ape conservation (-\$481).	+2,581

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**APPROPRIATION: Neotropical Migratory Bird Conservation**

	2004 Actual	2005 Enacted	2006 Request	Change from 2005 Enacted
TOTAL APPROPRIATION .....	3,951	3,944	0	-3,944

***Highlights of Budget Changes***

Neotropical Migratory Bird Conservation	Amount
The request eliminates funding under this account for neotropical migratory bird conservation grants and requests \$4,000 under the Multinational Species Conservation Fund. This is consistent with the authorizing statute.	-3,944

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**APPROPRIATION: State and Tribal Wildlife Grants**

	2004 Actual	2005 Enacted	2006 Request	Change from 2005 Enacted
TOTAL APPROPRIATION .....	69,137	69,028	74,000	+4,972

***Highlights of Budget Changes***

State and Tribal Wildlife Grants	Amount
These funds support additional high priority grants to States, Territories, (+\$4,546) and Tribes (+426) to address habitats and species of greatest conservation need. States will focus on new projects that implement completed comprehensive wildlife conservation strategies that aim to keep additional species from being listed under the Endangered Species Act.	+4,972



# NATIONAL PARK SERVICE

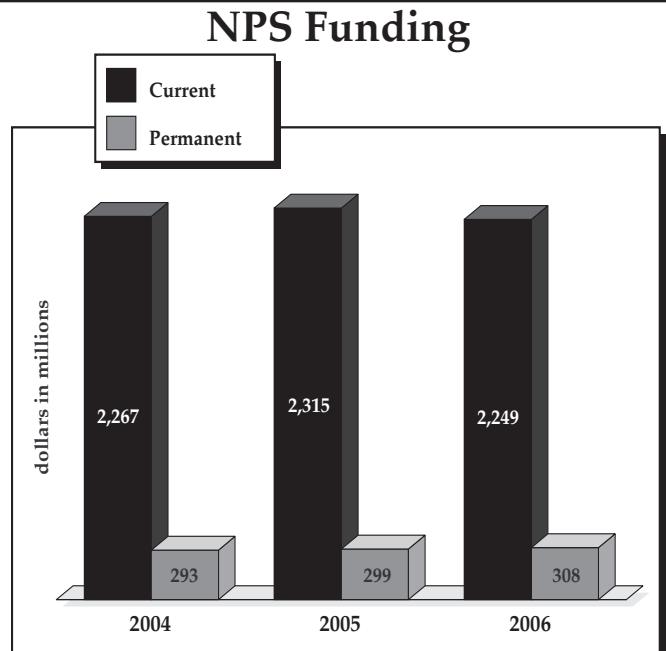
**Mission**—In 1872, the Congress designated Yellowstone National Park as the Nation's first "public park or pleasure ground for the benefit and enjoyment of the people." The subsequent establishment of the National Park Service on August 25, 1916, reflected a national consensus that natural and cultural resources must be set aside for public enjoyment and preserved for future generations. As stated in the original authorizing legislation, the Park Service mission is to "preserve unimpaired the natural and cultural resources and values of the national park system for the enjoyment, education, and inspiration of this and future generations."

**Program Overview** — Since 1872, the stewardship responsibilities of NPS have become more complex. The national park system has experienced significant growth over the past 30 years, with the addition of more than 100 new parks since 1973. Currently, the national park system includes 388 units covering 88 million acres in 49 States, the District of Columbia, American Samoa, Guam, Puerto Rico, the Northern Mariana Islands, and the Virgin Islands.

In its entirety, the national park system represents and interprets the story of human history and natural sciences that together equal modern day America. The system preserves both the natural and cultural sites that are ingrained in the Nation's history. The parks offer an array of rewarding opportunities for much needed respite, reflection, and outdoor recreation to the American public. In 2004, 280 million people visited the Nation's national parks.

Employees are central to carrying out the Park Service mission. Almost eighty percent are employed in parks, with the remainder in headquarters, regional offices, and Service-wide programs. The NPS estimates that staffing will total 20,680 full time equivalents in 2006.

Park employees serve a diverse clientele of visitors and function in multiple roles, including stewards of the public trust, interpreters of natural and cultural sites, and guarantors of visitor safety. In the area of cultural resource preservation, park employees serve as historians,



curators, archeologists, and conservators. In the natural resource programs, park employees serve as biologists, hydrologists, geologists, and general resource management specialists.

**Management Excellence** — The Park Service continues to pursue a management strategy that integrates the President's management agenda and the Secretary's vision of citizen-centered governance. The Park Service has worked diligently to step down from the goals found in the Department's strategic plan, which fosters a cohesive approach to mission performance with improved program and service delivery, new technological capabilities, enhanced inter-bureau cooperation, and improved standards of accountability that stretch across the entire Interior Department.

In 2006, NPS will continue specific reforms to improve management of the deferred maintenance backlog and the effectiveness of its facility management programs. For 2006, the effectiveness and efficiency of the Cultural Resources Stewardship program was reviewed using the Program Assessment Rating Tool and the results will be

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discussed later in this section. The NPS is also closely examining park budgets and current management practices to enhance visitor services and streamline operations. Activities underway are discussed below.

**Budget Overview** — The 2006 NPS budget supports the Administration's goals to: protect park resources through the Natural Resource Challenge and the Cooperative Conservation Initiative; manage the NPS deferred maintenance backlog; and achieve improved efficiencies while maintaining or improving program effectiveness. The NPS budget request is \$2.2 billion in current appropriations, a net decrease of \$65.6 million below the 2005 level.

**Park Operations** — Funding for the Operation of the National Park System appropriation that includes funds for visitor services, resource protection, and other park programs is \$1.7 billion in current appropriations. The request is a net increase of \$50.5 million above the 2005 enacted level, including increases of \$40.0 million in pay, benefits and other fixed costs, \$5.4 million for the Challenge Cost-Share program, and \$3.4 million for repair and rehabilitation of historical buildings. The increase for fixed cost fully funds additional pay and benefits costs that parks will require in 2006 to maintain current capacity.

The primary source of funding to support park recreational activities comes from the park operating base. With these funds, parks offer services such as interpretive ranger programs, staffing at visitor centers, daily maintenance activities, and other programs designed to enhance visitor services. The 2006 budget request maintains the funding levels provided in the 2005 appropriation, which included a net increase of more than \$60.0 million over 2004 recurring park base funding. The addition of pay costs for 2006 will ensure the continuation of enhancements to visitors and other services provided in 2005.

The NPS is also enhancing visitor services by rigorously examining base budgets Service-wide. Regional offices and park units have been focusing on initiatives that will streamline processes, lower costs, and increase productivity. The Intermountain Regional Office, for example, is currently working to standardize a mission critical workforce management analysis. The process ensures that the best management practices are implemented, and provides a sound, logical approach for park units to establish priorities as they relate to each individual park unit's mission. Management reviews are currently scheduled for several parks including Chiricahua National Monument, Grand Canyon National Park, and Dinosaur National Monument. Innovative approaches such as this effect organizational efficiency gains and have allowed NPS to sustain its commitment to providing superior, uninterrupted visitor services within fiscal constraints.

The NPS recently developed the park scorecard, an indicator of park financial, operational, and managerial health, to aid in the allocation of resources for park units, and the identification and evaluation of base budget increases. It is being developed in conjunction with numerous other tools, such as park performance against goals, to best determine relative park needs and the potential for individual parks to improve performance in the event they receive a base funding increase. The scorecard consists of five categories with 24 equally weighted measures. The scorecard was recently used as a tool for assisting in determining the highest priority needs of various parks to target the \$12.5 million provided in the 2005 appropriations act for visitor services. Over time, the scorecard will become more instrumental in assisting NPS in selecting and validating regional requests for park base increases.

**Cooperative Conservation** — The NPS Challenge Cost Share program is funded at \$12.8 million in 2006, a net increase of \$5.4 million above the 2005 enacted level. Included within this amount is \$2.4 million for traditional challenge cost share grants, the same as the 2005 appropriation. Also included is an increase of \$7.9 million for resource restoration challenge cost-share grants. These competitively selected projects provide opportunities for NPS managers to work with local communities and private landowners to achieve a variety of natural resource restoration objectives. The Lewis and Clark Bicentennial challenge cost share is funded at \$2.5 million in 2006, a reduction of \$2.4 million below the 2005 level. Funding requirements are expected to decrease as the celebration of the 200th anniversary of the Corps of Discovery expedition comes to a close at the end of 2006.

**Repair and Rehabilitation of Park Facilities** — The 2006 budget request meets the President's commitment to invest \$4.9 billion over five years to reduce the park maintenance backlog and continues to provide critical tools to improve accountability within the NPS facility maintenance program. A program increase of \$3.4 million is requested in the ONPS account for the repair and rehabilitation program, resulting in a total of \$392.2 million for facility maintenance. This amount, together with a \$22.2 million increase in construction, provides \$716.6 million for construction and facility maintenance projects in 2006.

The centerpiece of the President's approach to addressing the backlog—focusing on priorities and performance accomplishments through a comprehensive asset management strategy—has enabled NPS, for the first time in its history, to inventory its assets and measure the condition of its facilities. During the past three years, NPS has implemented this management reform process to provide a comprehensive asset inventory and establish

a Service-wide baseline for facility conditions. This investment has allowed NPS to target funds to the highest deferred maintenance priority needs and to set goals using a Facility Condition Index. With the funds expected through 2009, park assets will be improved to acceptable condition overall, as measured by the FCI. Through 2004, NPS has undertaken over 4,000 infrastructure and facility improvement projects nationwide. As a result, visitors to the parks are seeing improved trails, more accessible campgrounds, rehabilitated visitor centers, better roads, stabilized historic structures, and reduced environmental threats through better sewer, water, and drinking systems.

With an increase of \$3.4 million, the proposed repair and rehabilitation program now totals almost \$100.0 million. During 2004, NPS completed a PART review of its park cultural resource stewardship program, which protects and preserves historic and prehistoric structures, archeological sites, museum collections, and other cultural resources within the national park system. The review found that "NPS collects extensive amounts of data, but has not demonstrated how it uses this information to adjust program priorities, allocate resources, or take appropriate management actions." The 2006 budget increase for the repair and rehabilitation program will be used to target funds at high-priority historic buildings and other historic structures in several small historical parks that have a comprehensive preventive maintenance program and have robust asset inventories. The NPS has found that relatively small amounts of funds can improve the average condition of all of a park's historic structures from "fair" or "poor" to "good" over a two year period.

The Administration's proposed reauthorization of the Transportation Equity Act for the 21st Century would provide \$1.9 billion over six years for the park roads and parkways program. The 2006 budget assumes an investment of \$320.0 million from the reauthorization for park roads and builds on progress made to improve road conditions. This investment would bring over 80 percent of park roads into good or excellent condition and would leave virtually no road in poor condition.

**Natural Resource Challenge** — Initiated in 2000, the Natural Resource Challenge is an integral part of NPS efforts to ensure that the natural resources under its purview continue to flourish. The goal of this program is to develop a scientific base of knowledge to create a framework for measuring performance based on the health of flora and fauna and the quality of air and water in and around park lands.

The 2006 budget request continues this program at the historically high level of \$77.6 million, a net increase of

\$1.0 million above the 2005 enacted level. Within the budgeted amount, an increase of \$4.9 million is provided for Inventory and Monitoring activities. The additional funding will complete establishment of inventory and monitoring programs for all 270 natural resource parks and equip managers with critical information about the ecosystems they manage. This increase is partially offset by a decrease of \$3.9 million in the Natural Resource Preservation program in order to focus resources on the inventory and monitoring networks.

**Land Acquisition and State Assistance** — The budget proposes funding land acquisition and State assistance at \$54.5 million in current appropriations. The request includes \$52.9 million for the NPS portion of the Federal land acquisition program. The Federal land acquisition program provides funding to acquire land, or interests in lands, for inclusion in the national park system in order to preserve nationally important natural and historic resources. Included within the proposal is \$4.3 million to acquire land to preserve for future generation a site that honors the passengers and crew of Flight 93, who gave their lives thwarting a planned attack on Washington, D.C. on September 11, 2001. The Department will also continue discussions with the Collier family regarding a possible acquisition of mineral rights at Big Cypress Natural Preserve and may reorder land acquisition priorities if an agreement is reached.

The 2006 request does not include funds for State assistance grants. As the Administration strives to trim the Federal deficit, focusing on core Federal agency responsibilities is imperative. The LWCF State grants support State and local parks that have alternative sources of funding through State revenues and bonds. In addition, a PART review in 2003 found that the current program could not adequately measure performance or demonstrate results. The 2006 request does include \$1.6 million for the administration of the LWCF State assistance program. This will allow staff to focus on accountability and performance of existing grants rather than issuing new grants. Staff will conduct selective evaluations among the 40,000 State planning, acquisition, and development projects and an estimated 32,000 park sites nationwide to ensure each assisted site remains in public outdoor recreation use in perpetuity.

**Construction** — The Construction and Major Maintenance account is funded at \$324.4 million in current appropriations, \$22.2 million above the 2005 appropriation. This amount, together with facility maintenance, recreation fees, and park roads funding, meets the President's commitment to invest \$4.9 billion in the NPS maintenance backlog over five years. Within the total proposed for construction, line-item construction projects are funded at \$221.2 million. This includes \$25.0 million for the

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**Everglades Modified Water Deliveries** project, \$17.0 million of which will be provided by transfer of previously appropriated NPS land acquisition funds.

**U.S. Park Police** — In December 2004 the Department's Office of Law Enforcement Services, NPS, and the Park Police concluded an internal review clarifying the mission and responsibilities of the Park Police. This review was based on the methodology recommended by the National Academy of Public Administration for setting USPP priorities and targeting resources in accordance with the core law enforcement needs of NPS. Based upon this review, the highest priority functions of the USPP were determined to be: 1) icon protection, 2) patrol of the National Mall and adjacent parks, 3) special events and crowd management, 4) criminal investigations, and 5) traffic control and parkway patrol. The 2006 budget for the USPP reflects these priorities. The budget is \$80.4 million in current appropriations, basically level with 2005.

**National Recreation and Preservation** — This appropriation funds programs connected with local community efforts to preserve natural and cultural resources. For 2006, these programs are proposed at \$36.8 million, a decrease of \$24.2 million from the 2005 appropriation. The budget proposes \$5.0 million for national heritage areas, a decrease of \$9.6 million from 2005 and eliminates \$11.2 million in funding for Statutory and Contractual Aid. The request for these programs reflects the NPS focus on its core missions.

**Historic Preservation** — The NPS plays a vital role in preserving the Nation's cultural history through a variety of stewardship programs that address unmet preservation needs nationwide. The budget includes a request of \$38.7 million, the same as the 2005 appropriation, for the Historic Preservation Fund matching grants to States, Territories, and Tribes to preserve historically and culturally significant sites.

In 2006, the Save America's Treasures initiative to protect nationally significant cultural artifacts is funded at \$15.0 million. The Department intends to focus on awarding these grants through a competitive process. The 2006 budget request also includes an additional \$12.5 million for matching grants to advance the goals of Preserve America. The Preserve America initiative is designed to

complement Save America's Treasures grants by providing one-time assistance to help communities demonstrate long-term approaches to using historic resources in an economically sustainable manner.

**Recreational Fee Program** — In 2005, Congress passed the Federal Lands Recreation Enhancement Act, which will enable the land management agencies to provide and improve recreation and related visitor amenities to enhance the visitor experience on NPS, FWS, BLM, and Reclamation public lands. The Act extends the authority to collect recreation fees until 2014 and establishes important parameters for the fee program to ensure that fees are charged only in appropriate locations and fee revenues are appropriately spent on infrastructure and services that directly benefit the public. In 2006, the Department will continue its transition from the Recreational Fee Demonstration program to fully implement FLREA.

**Information Technology** — The Department is migrating its portfolio to enterprise business processes and technologies. A key component for successful implementation of this strategy is the Enterprise Services Network, a modern, integrated network backbone that will provide the infrastructure to integrate resources within the Department. Additionally, the 2006 budget request supports implementation of the Administration's high pay-off e-government initiatives to integrate agency operations and information technology investments.

These initiatives eliminate redundant systems and significantly improve the government's quality of customer service for citizens and businesses. The NPS budget proposes a net increase of \$5.4 million for information technology improvements.

**Other Program Changes** — The 2006 request includes a decrease of \$1.3 million for anticipated savings related to improved fleet management, a decrease of \$1.3 million resulting from space consolidations, and a decrease of \$1.4 million due to the implementation of other management efficiencies.

**Fixed Costs** — The 2006 budget request includes an increase of \$43.0 million to fully fund non-discretionary fixed cost increases anticipated for the upcoming fiscal year.

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## SUMMARY OF BUREAU APPROPRIATIONS

(all dollar amounts in thousands)

*Comparison of 2006 Request with 2005 Enacted:*

	2005 Enacted FTE	2006 Request Amount	2006 Request FTE	Change from 2005 FTE	Change from 2005 Amount
<b>Appropriations</b>					
Operation of the National Park System.....	15,759	1,683,564	15,807	+48	+50,489
United States Park Police .....	709	80,076	703	-6	+335
National Recreation and Preservation .....	287	60,973	252	-35	-24,196
Urban Park and Recreation Fund .....	0	0	0	0	0
Historic Preservation Fund.....	4	71,739	4	0	-5,534
Construction and Major Maintenance .....	442	302,180	447	+5	+22,182
Land Acquisition and State Assistance .....	143	146,349	140	-3	-91,882
LWCF Contract Authority (Rescission).....	0	-30,000	0	0	0
Subtotal, Appropriations <sup>1/</sup> .....	<u>17,344</u>	<u>2,314,881</u>	<u>17,353</u>	<u>+9</u>	<u>-48,606</u>
South Florida Transfer <sup>2/</sup> .....	0	0	0	0	-17,000
Subtotal, Appropriations.....	<u>17,344</u>	<u>2,314,881</u>	<u>17,353</u>	<u>+9</u>	<u>-65,606</u>
<b>Mandatory Appropriations</b>					
Recreation Fee Permanent Appropriations .....	1,212	158,299	1,212	0	+1,695
Other Permanent Appropriations.....	236	95,746	236	0	+7,167
Miscellaneous Trust Funds .....	122	15,008	122	0	0
Construction Trust Fund .....	3	0	3	0	0
LWCF Contract Authority.....	0	30,000	0	0	0
Subtotal, Mandatory Appropriations.....	<u>1,573</u>	<u>299,053</u>	<u>1,573</u>	<u>0</u>	<u>+8,862</u>
<b>Transfers, Reimbursables and Allocations</b>					
Transfers .....	1,066	0	1,066	0	0
Reimbursables .....	688	0	688	0	0
Allocations to Other Agencies.....	[42]	[0]	[42]	[0]	[0]
Subtotal, Other.....	<u>1,754</u>	<u>0</u>	<u>1,754</u>	<u>0</u>	<u>0</u>
<b>TOTAL, NATIONAL PARK SERVICE (w/o transfer)</b>	<b>20,671</b>	<b>2,613,934</b>	<b>20,680</b>	<b>+9</b>	<b>-39,744</b>
<b>TOTAL, NATIONAL PARK SERVICE (w/ transfer)..</b>	<b>20,671</b>	<b>2,613,934</b>	<b>20,680</b>	<b>+9</b>	<b>-56,744</b>

<sup>1/</sup> The total for 2005 does not include \$50.8 million for disaster supplemental.

<sup>2/</sup> Transfer of \$17.0 million in prior year balances from NPS land acquisition to construction.

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## HIGHLIGHTS OF BUDGET CHANGES

By Appropriation Activity/Subactivity

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**APPROPRIATION: Operation of National Park Service**

	2004 Actual	2005 Enacted	2006 Request	Change from 2005 Enacted
Park Management				
Resource Stewardship .....	335,306	348,036	354,116	+6,080
Visitor Services .....	319,763	338,454	346,181	+7,727
Facility Operations and Maintenance ..	559,211	582,739	595,586	+12,847
Park Support.....	282,330	290,400	307,613	+17,213
Net Transfers.....	10,067	0	0	0
Subtotal, Park Management .....	1,506,677	1,559,629	1,603,496	+43,867
External Administrative Costs .....	112,951	123,935	130,557	+6,622
<b>TOTAL APPROPRIATION <sup>1/</sup></b> .....	<b>1,619,628</b>	<b>1,683,564</b>	<b>1,734,053</b>	<b>+50,489</b>

<sup>1/</sup> Does not include \$702,000 transferred in 2005 from prior year NPS Land Acquisition balances for Everglades restoration.

***Highlights of Budget Changes***

	<u>Amount</u> [+39,992]
Fixed Costs	[+39,992]
Park Management	+6,080
Resources Stewardship	+6,080
An increase is requested for Natural Resource Challenge vital signs to establish inventory and monitoring programs in all 270 natural resource parks (+\$4,931). Decreases are requested for projects accomplished through the Natural Resources Preservation program (-\$3,931) and fleet management reform (-\$648). Fixed cost increases total \$5,728.	+6,080
Visitor Services	+7,727
An increase is requested for one additional FTE to support the collection and analysis of data from the recreation fee program (+\$119). Decreases are requested for the 2005 Presidential Inaugural (-\$986) and fleet management reform (-\$129). Fixed cost increases total \$8,925. A transfer of concessions appraisers to the Department (-\$247) and a transfer from the Park Police to cover their portion of the centrally paid aircraft services costs (+\$45) are also included.	+7,727
Facility Operations and Maintenance	+12,847
An increase is requested for repair and rehabilitation of historic buildings (+\$3,400). A decrease is requested for fleet management reform (-\$388). Fixed cost increases total \$9,835.	+12,847
Park Support	+17,213
Increases are requested for the Jamestown 2007 commemoration (+\$400), various improvements to the security of the NPS information technology environment and to support bureau costs for the Department's enterprise services network (+\$5,355), the Headquarters Partnership Office (+\$310), and re-establish the Resource Restoration Challenge Cost Share program which was unfunded in 2005 (+\$7,871). Decreases are requested for Wild and Scenic River funding (-\$247), Lewis & Clark Challenge Cost Share, which is nearing completion (-\$2,427), management efficiencies (-\$1,416), and fleet management reform (-\$129). Fixed cost increases total \$7,545. Also included is a transfer to the Department to support appraisers (-\$49).	+17,213
External Administrative Costs	+6,622
A decrease is requested for GSA space rental costs reduction due to central office space consolidation (-\$1,337). Fixed cost increases total \$7,959.	+6,622

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**APPROPRIATION: United States Park Police**

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	2004 Actual	2005 Enacted	2006 Request	Change from 2005 Enacted
TOTAL APPROPRIATION .....	77,887	80,076	80,411	+335

***Highlights of Budget Changes***

	<u>Amount</u>
Fixed Costs	[+1,366]
United States Park Police Operations	+335
A decrease is requested for the 2005 Presidential Inaugural (-\$986). Fixed cost increases total \$1,366. Also included is a transfer to Visitor Services to cover the Park Police's portion of the centrally paid aircraft services costs (-\$45).	

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**APPROPRIATION: National Recreation and Preservation**

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	2004 Actual	2005 Enacted	2006 Request	Change from 2005 Enacted
Recreation Programs.....	548	543	554	+11
Natural Programs.....	10,875	10,865	9,545	-1,320
Cultural Programs .....	19,689	19,933	17,722	-2,211
Environmental Compliance & Review ....	396	391	399	+8
Grants Administration .....	1,576	1,866	1,913	+47
International Park Affairs .....	1,606	1,593	1,618	+25
Heritage Partnership Programs				
Commissions & Grants .....	14,153	14,459	4,904	-9,555
Administrative Support .....	122	120	122	+2
Subtotal, Heritage Partnership.....	14,275	14,579	5,026	-9,553
Statutory or Contractual Aid				
Alaska National Parks.....	0	740	0	-740
Aleutian World War II Historic Area.....	0	0	0	0
Anchorage Museum .....	0	0	0	0
Benjamin Franklin Tercentenary				
Commission .....	198	247	0	-247
Black Jack Battlefield Trust .....	0	88	0	-88
Blue Ridge Parkway Folk Art Center .....	740	0	0	0
Brown Foundation .....	198	247	0	-247
Chesapeake Bay Gateways and				
Water Trails .....	2,469	2,465	0	-2,465
Dayton Aviation Heritage Commission...	85	0	0	0
Flight 93 Memorial.....	294	247	0	-247
French and Indian War .....	494	0	0	0
Ft. Mandan, Ft. Lincoln, and Northern				
Plains Foundation .....	0	616	0	-616
George Washington Memorial Bridge .....	0	99	0	-99
Harry S. Truman Statue.....	50	0	0	0
Ice Age National Scientific Reserve .....	796	785	0	-785
Jamestown 2007 Commission.....	197	394	0	-394
Johnstown Area Heritage				
Association Museum .....	49	48	0	-48
Keweenaw NHP.....	0	789	0	-789
Lake Roosevelt Forum.....	50	0	0	0
Lamprey Wild & Scenic River .....	987	887	0	-887

	<b>2004 Actual</b>	<b>2005 Enacted</b>	<b>2006 Request</b>	<b>Change from 2005 Enacted</b>
Louisiana Purchase Commission				
of Arkansas .....	0	0	0	0
Lower Eastside Tenement Museum .....	0	247	0	-247
Mandan Interpretive Center.....	494	0	0	0
Martin Luther King Jr. Center .....	521	0	0	0
Mississippi Museum of Natural Science .	0	740	0	-740
Mt. Rainier NP .....	0	690	0	-690
Natchez NHP.....	0	148	0	-148
National Constitution Center.....	0	0	0	0
Native Hawaiian Culture and				
Arts Program .....	731	740	0	-740
New Orleans Jazz Commission .....	65	0	0	0
Office of Artic Studies.....	1,481	0	0	0
Oklahoma City Memorial .....	1,581	0	0	0
Penn Center National Landmark, SC.....	0	0	0	0
Roosevelt Campobello				
International Park Commission .....	837	0	0	0
Saint Charles Interpretive Center .....	0	0	0	0
Sewell-Belmont House				
National Historic Site .....	0	394	0	-394
Sleeping Rainbow Ranch,				
Capitol Reef NP .....	491	592	0	-592
Vancouver National Historic Reserve.....	0	0	0	0
Virginia Key Miami Beach .....	0	0	0	0
Subtotal, Statutory / Contractual Aid....	12,808	11,203	0	-11,203
Transfer to Oklahoma City				
National Memorial Trust.....	-1,580	0	0	0
TOTAL APPROPRIATION .....	60,193	60,973	36,777	-24,196

### *Highlights of Budget Changes*

	<u>Amount</u>
Fixed Costs	[+\$519]
Recreation Programs	+11
Fixed cost increases total \$11.	
Natural Programs	-1,320
Decreases are requested for Rivers & Trails Studies (-\$512), RTCA (-\$500), and National Natural Landmarks (-\$495). Fixed cost increases total \$187.	
Cultural Programs	-2,211
Decreases are requested for Gettysburg technical assistance (-\$99), Creole Heritage Center (-\$100), and Underground Railroad Grants (-\$296). In addition, the National Center for Preservation Technology & Training is proposed for elimination in 2006 (-\$1,931). Fixed cost increases total \$215.	
Environmental Compliance and Review	+8
Fixed cost increases total \$8.	
Grants Administration	+47
Fixed cost increases total \$47.	
International Park Affairs	+25
Fixed cost increases total \$25.	

	<u>Amount</u>
Heritage Partnership Programs The budget includes a reduction of -\$9,579 to the Commissions and Grants subactivity. Fixed cost increases total \$26.	-9,553
Stautory or Contractual Aid The budget proposes the elimination of direct support to this activity (-\$11,203).	-11,203

#### **APPROPRIATION: Urban Parks and Recreation Fund**

	2004 Actual	2005 Enacted	2006 Request	Change from 2005 Enacted
UPAR Grants.....	0	0	0	0
UPAR Grants Administration .....	301	0	0	0
TOTAL APPROPRIATION .....	301	0	0	0

#### **APPROPRIATION: Historic Preservation Fund**

	2004 Actual	2005 Enacted	2006 Request	Change from 2005 Enacted
Grants-in-Aid.....	40,496	42,156	38,705	-3,451
Save America's Treasures.....	32,592	29,583	15,000	-14,583
Preserve America .....	0	0	12,500	+12,500
National Trust .....	494	0	0	0
TOTAL APPROPRIATION .....	73,582	71,739	66,205	-5,534

#### *Highlights of Budget Changes*

	<u>Amount</u>
Grants-in-Aid The budget eliminates funding for Historically Black Colleges and Universities (-\$3,451).	-3,451
Grants-in-Aid to Save America's Treasures A decrease is requested for this activity in 2006 (-\$14,583).	-14,583
Grants-in-Aid to Preserve America An increase is requested to provide one-time seed money to communities with innovative approaches to historic preservation and heritage tourism (+\$12,500).	+12,500

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**APPROPRIATION: Construction and Major Maintenance**


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	2004 Actual	2005 Enacted	2006 Request	Change from 2005 Enacted
Line Item Construction & Main. <sup>1/</sup> .....	214,295	189,748	221,183	+31,435
Special Programs				
Emergency, Unscheduled.....	5,432	3,944	3,944	0
Housing .....	7,901	7,889	7,889	0
Dam Safety .....	2,667	2,662	2,662	0
Equipment Replacement.....	35,023	36,900	26,900	-10,000
Construction Planning .....	24,179	20,925	19,925	-1,000
Construction Program Mgmt & Ops.....	27,128	26,984	28,605	+1,621
General Management Planning .....	13,255	13,128	13,254	+126
Yosemite 1996 emergency supplemental.	22,500	0	0	0
Transfer from Land Acq for Everglades...	2,000	0	0	0
2004 Fort Baker Transfer.....	2,500	0	0	0
TOTAL APPROPRIATION (w/o fire).....	356,880	302,180	324,362	+22,182
Fire repayment.....	52,296	0	0	0
TOTAL APPROPRIATION (w/ fire) .....	409,176	302,180	324,362	+22,182
Transfer from Ft. Baker, GOGA.....	[0]	[1,900]	[0]	[-1,900]

<sup>1/</sup> Includes \$17.0 million in prior year balances transferred in 2006 from land acquisition.

### *Highlights of Budget Changes*

	<u>Amount</u> [+\$747]
Fixed Costs	+31,435
Line Item Construction	
An increase is requested (+\$14,435). A detailed list of projects is found in Appendix D. Also requested is a transfer from prior year unobligated balances in Land Acquisition to be used for the modified water deliveries project at Everglades National Park (+17,000).	+31,435
Special Programs	
Equipment Replacement	-10,000
A decrease is requested for the conversion of radio equipment to narrowband frequency (-\$10,000) as fee receipts will be used to keep the conversion schedule on track.	-10,000
Construction Planning	-1,000
Funding in this activity is used to prepare planning documents, drawings, and specifications necessary to complete approved line item construction projects. This program also provides for the completion of tasks before project design and specification work begins, including programming, special studies, and resource analysis. The proposed decrease (-\$1,000) reflects adjustments made for projects that include design development in the gross construction request.	-1,000
Construction Program Management and Operations	+1,621
An increase is requested for increased capacity at the Denver Service Center (+\$1,000). Fixed cost increases total \$621.	+1,621
General Management Planning	+126
Fixed cost increases total \$126.	+126

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**APPROPRIATION: Land Acquisition and State Assistance**

	2004 Actual	2005 Enacted	2006 Request	Change from 2005 Enacted
Assistance to States				
State Conservation Grants .....	91,360	89,736	0	-89,736
Administrative Expenses .....	2,469	1,479	1,587	+108
National Park Service				
Acquisitions .....	32,446	39,839	35,131	-4,638
Emergencies and Hardships.....	1,975	2,465	4,000	+1,500
Inholdings .....	1,975	2,465	4,000	+1,500
Acquisition Management.....	10,371	10,365	9,749	-616
Net Transfers.....	-32,215	0	0	0
TOTAL APPROPRIATION (w/o fire).....	108,381	146,349	54,467	-91,882
Fire repayment.....	16,424	0	0	0
TOTAL APPROPRIATION (w/ fire) <sup>1/2/</sup> .....	124,805	146,349	54,467	-91,882

<sup>1/</sup> Does not include \$1.785 million in prior year balances transferred in 2005 to the ONPS appropriation and the Fish and Wildlife Service for Everglades Restoration.

<sup>2/</sup> Does not include \$17.0 million in prior year balances to be transferred in 2006 to NPS Construction.

### *Highlights of Budget Changes*

	<u>Amount</u>
Fixed Costs	[+\$339]
State Conservation Grants	-89,736
State Conservation Grants are proposed for elimination in 2006 (-\$89,736).	
State Grants Administration	+108
Fixed cost increases total \$108.	
Federal Land Acquisition	-1,638
A decrease is requested (-\$1,638). A detailed project list is found in Appendix F. The 2006 program consists of acquisitions at eleven parks and funding for Civil War battlefield sites, inholdings and exchanges, and emergencies and hardships.	
Acquisition Management	-616
An increase is requested to properly administer the Federal Land Acquisition program (+\$500). Fixed cost increases total \$231. Also included is a transfer to the Department for land appraisers (-\$1,347).	

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**APPROPRIATION: Land and Water Conservation Fund Contract Authority**

	2004 Actual	2005 Enacted	2006 Request	Change from 2005 Enacted
TOTAL APPROPRIATION .....	-30,000	-30,000	-30,000	0





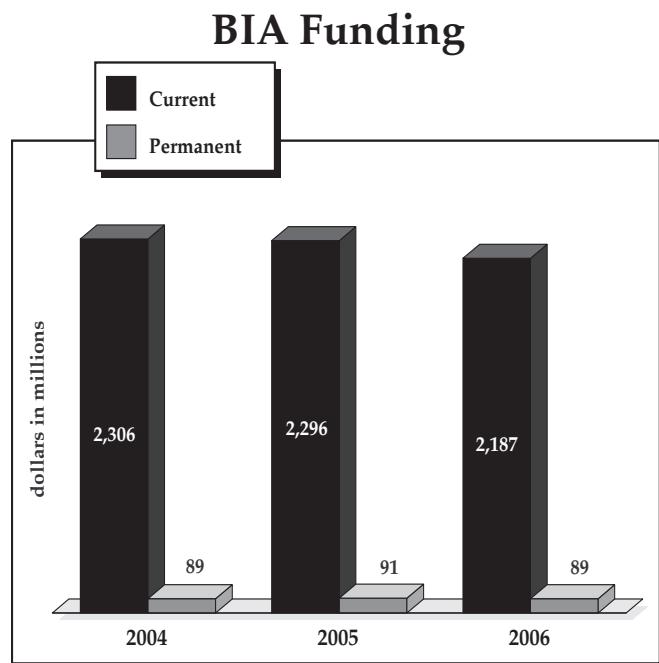
# BUREAU OF INDIAN AFFAIRS

**Background** — In the last two centuries, the Congress has passed more Federal laws affecting Native Americans than any other group of people in the United States. The Snyder Act, the Indian Self-Determination and Education Assistance Act, the Native American Education Improvement Act of 2000, and the Indian Reorganization Act are just a few of the laws that have defined the Federal authority and obligation to provide various programs and services to Indian Country. While the Federal trust obligation lies at the heart of this special relationship, the scope of the United States' responsibilities to Native Americans extends beyond basic trust obligations to include a wide range of services delivered in concert with the enhancement of Indian self-determination. The Congress has placed the major responsibility for Indian matters in the Interior Department, primarily with the Bureau of Indian Affairs.

**Mission** — The mission of BIA is to fulfill its trust responsibilities and promote self-determination on behalf of tribal governments, American Indians, and Alaska Natives.

**Program Overview** — The BIA provides services directly or through contracts, grants, or compacts to a service population of 1.5 million American Indians and Alaska Natives who are members of 562 federally recognized Indian Tribes in the 48 contiguous United States and Alaska. While the role of BIA has changed significantly in the last three decades in response to a greater emphasis on Indian self-determination, Tribes still look to BIA for a broad spectrum of services. The BIA programs are funded and operated in a highly decentralized manner, with about 90 percent of all appropriations expended at the local level, and about 50 percent of appropriations provided directly to Tribes and tribal organizations through grants, contracts, and compacts.

The extensive scope of BIA programs covers virtually the entire range of State and local government services. Programs administered by either Tribes or BIA include an education system for almost 48,000 elementary and secondary students; 28 tribal colleges, universities, and post-secondary schools; social services; natural resources management on 56 million acres of trust land; economic



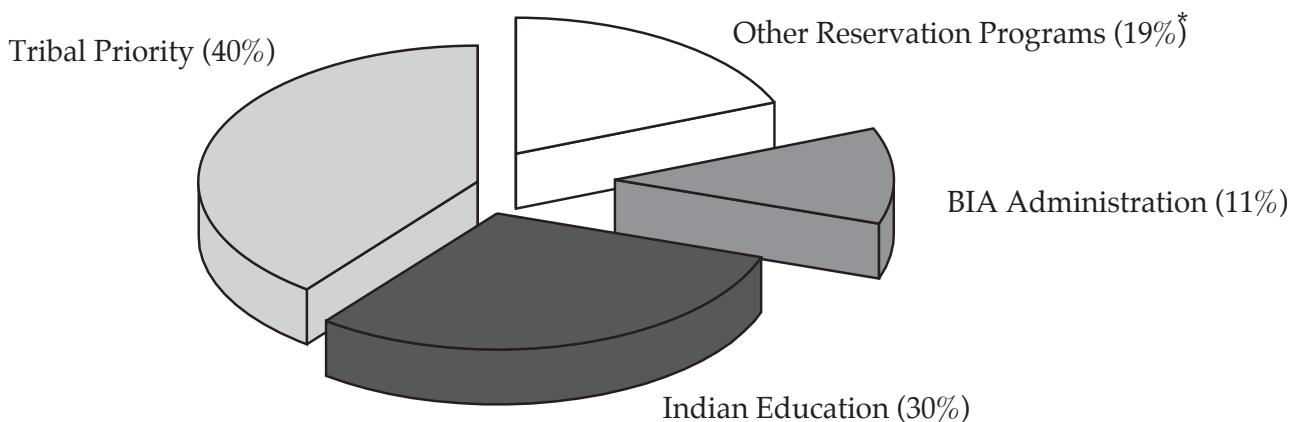
development programs in some of the most isolated and economically depressed areas of the United States; law enforcement; administration of tribal courts; implementation of land and water claim settlements; replacement and repair of schools; repair and maintenance of roads and bridges; and repair of structural deficiencies on high hazard dams.

**Management Excellence** — The BIA programs uphold the government-to-government relationship with Tribes, honor trust responsibilities, and provide many diverse services to American Indians and Alaska Natives. The BIA continues to follow the President's management agenda for improving management and performance of the Federal government, practicing the Secretary's vision for citizen-centered management excellence. For example, BIA has made substantial progress in the area of financial management by improving internal controls, reducing material weaknesses, and addressing audit findings.

As part of the 2006 budget formulation process, the post-secondary education program and road maintenance

## Operation of Indian Programs

**\$1.9 billion**



In 2006, nine of every ten dollars appropriated to BIA will be provided to education, human resources, trust services, and other on-the-ground programs

\* Includes the following: resources management, trust services, law enforcement, and other reservation programs..

program were evaluated using the Program Assessment Rating Tool. The principal finding of the reviews was that both of these programs have a clear purpose, but need to develop performance goals and measures, baseline information and targets, and develop a process and schedule for conducting independent program evaluations. The BIA is working to make these improvements.

Interior has developed a five-year strategic plan to guide its resource allocations and program decisions and improve accountability. The BIA programs and services support the Department's outcome goals to fulfill Indian trust responsibilities and advance quality communities for Tribes. In 2006, BIA and Tribes will continue to strengthen baseline data and refine tracking and reporting mechanisms to ensure that timely and accurate performance information is available and integrated into budget decisions.

**Budget Overview** — The 2006 budget request for BIA is \$2.2 billion in current appropriations, a decrease of \$108.2 million below the 2005 enacted budget. The Operation of Indian Programs account is funded at \$1.9 billion, a decrease of \$1.9 million. The budget continues the Department's commitment to reform trust management and provides increases for law enforcement and detention centers, a leadership academy pilot program, the National Indian Programs Training Center, irrigation operations and maintenance, and economic development. The budget also includes reductions in programs due to lack of performance accountability, duplication of

other State and Federal programs, and implementation of management efficiencies.

In an effort to improve budget and performance integration, BIA is proposing a revised budget structure for the Operation of Indian Programs account. By grouping programs by function rather than organization, the proposed structure will facilitate performance measurement and improve program management. The revised structure will also greatly simplify the budget and reduce the number of line items by 50 percent.

**Improving Trust Management** — Management of trust assets for Tribes and individual Indians has been a key component of the BIA mission for well over a century. The BIA is working closely with the Office of the Special Trustee for American Indians on the Secretary's ongoing efforts to reform current trust systems, policies, and procedures. The 2006 budget provides an increase of \$3.0 million for continued support to implement the 2004 reorganization of trust functions, including funding for an additional 12 deputy regional directors and 25 deputy agency superintendents for trust at the local level. This additional staffing is a significant step toward implementing trust reform, permitting more decisions to be made at the local level, thus giving beneficiaries timely responses to questions and more efficient management of trust assets.

The budget also includes an increase of \$9.6 million to resolve the current probate backlog. Most of this fund-

ing is for contractor costs (\$8.0 million) to complete case preparation of 23,000 probate cases by the end of 2008. The balance is for contract support for land title and records offices to meet title related work needed to address expanding workload associated with Indian land consolidation, probate, and *Youpee* activities (\$1.6 million). Hearings by attorney decisionmakers, administrative law judges, or Indian probate judges for upwards of 5,000 cases per year are required to address the probate workload. A total of \$5.2 million in reductions are proposed in BIA trust programs due to the elimination of one-time costs and the implementation of management efficiencies.

The Department has established the National Indian Programs Training Center, in Albuquerque, New Mexico to enhance and standardize adequate trust and program related training. This training center, operated under the guidelines of the Department of the Interior University, will provide a broad range of mission critical, leadership, and career development training to employees of the BIA and OST. The 2006 budget includes an increase of \$1.5 million for the additional lease costs for the training center. Existing BIA training funds will be used to fund the other operational costs for the center.

**Public Safety and Justice in Indian Country** — Law enforcement and security issues continue to mount in Indian Country even as solutions are attained. While 19 new or expanded detention facilities built with funding provided by Department of Justice under a joint Justice-Interior initiative will be operational in 2006, the Office of the Inspector General released an assessment of Indian detention facilities in September 2004 which documented poor conditions at other Bureau-owned facilities. The IG report made 25 recommendations to correct deficiencies that impact the safety and security of detention center staff and inmates. Meanwhile, the Department of Justice grant program for law enforcement officers hired under the Community Oriented Policing Services program is starting to expire and the grant program is slated to sunset.

The 2006 BIA budget includes a \$19.2 million increase in funding to: 1) expand law enforcement programs in areas where violent crime is most severe and COPS grants are due to expire; 2) staff, operate, and maintain detention facilities built with Department of Justice funding which will be certified for occupancy in 2006; 3) outsource detention of individuals to local jurisdictions where BIA facilities do not comply with national standards; and 4) begin a comprehensive program to improve and repair detention facilities owned by BIA.

**Indian Education** — Since the founding of the Nation, Indian education programs have responded to treaty requirements and Federal statutes, including the Snyder

Act, Johnson O’Malley Act, Elementary and Secondary Education Act, Tribally Controlled Schools Act, Indian Self-Determination and Education Assistance Act, Indian Education Amendments of 1978, Individuals with Disabilities Education Act, and the Improving America’s Schools Act. In January 2002, the President signed into law the No Child Left Behind Act of 2001, which includes the Native American Education Improvement Act of 2001.

One of BIA’s strategic goals is to provide quality educational opportunities from early childhood through adulthood. The 2006 school operations budget represents a continued commitment to the future of American Indian youth and supports the President’s commitment to “leave no child behind.” The \$521.6 million request for school operations will support 184 schools and dormitories. In 2006, BIA will continue to focus on raising academic achievement scores, and consistent with the findings of the 2004 PART, BIA will continue to develop academic performance and cost-efficiency measures that are comparable to similarly located schools.

The request includes an increase of \$2.0 million to pilot leadership academies at Indian schools. Leadership academies will offer a curriculum that helps students gain a positive attitude toward learning, conform to established behavior requirements, meet high academic standards, and learn skills required to become leaders in Indian communities. Leadership academies will be designed to motivate educators to instill in students a life-long desire for learning and to encourage enrollment in post-secondary schools.

The BIA and Department of Education continue to work together to improve service delivery of programs that benefit Indian students. Under the No Child Left Behind Act, each school is required to maintain student and school level performance data for performance assessment purposes. Informative and accurate data collection is central to measuring adequate yearly progress, a central performance measurement of NCLB. In 2005, BIA will apply grant funding and technical assistance from the Department of Education to begin developing a student tracking database that meets the requirements of the NCLB. The budget submission proposes eliminating funding for the school statistics database in 2006 (-\$673,000), as the new student tracking system will replace it.

The education budget includes reductions in programs due to lack of performance accountability, duplication of other State and Federal programs, and implementation of management efficiencies. The budget proposes the elimination of the Therapeutic Residential Model programs (-\$3.0 million), because the expected performance results have not been achieved. The budget proposes a 50

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percent decrease (-\$8.8 million) in the Johnson O’Malley grant program, which provides funds to public schools to provide additional support services to Indian children. The decrease is proposed because similar funding is available from the Department of Education and because of a lack of accountability for how the funding is used. The budget includes a decrease of \$1.0 million for area / agency technical support to be achieved through consolidation of education line officers to reflect the increased ratio of grant schools to Bureau-operated schools in the BIA school system.

Funding for post-secondary education totals \$60.9 million in the 2006 budget. The BIA budget includes funding for grants to 26 tribal colleges and universities, Haskell University and the Southwest Polytechnic Institution, and scholarships. The budget requests an increase of \$500,000 for the student loan repayment program. This program was first implemented in 2005 in order to improve the BIA ability to recruit highly qualified new employees. Modeled after other similar Federal programs, this program allows BIA to repay the student loans for students who agree to a term of employment with BIA.

**Indian School Construction** — School construction is one of Interior’s highest priorities. The President made a commitment to replace, rebuild, and repair crumbling schools so Indian children would have safe and nurturing places to learn. The Administration and the Congress both recognize that many BIA schools have serious deficiencies that pose serious threats to students’ health and safety.

With the additional funding provided through 2005, a great deal of progress is being made. In 2001, 35 percent of schools were in good or fair condition and 65 percent of schools were in poor condition. After 2005, those numbers will be reversed, showing marked improvement in the condition of schools.

In March 2004 a new replacement school construction priority list was published in the Federal Register, which identified 14 schools in need of replacement due to significant health and safety concerns. The list was developed using a process that focused on health and safety, and included visits to each school by a team of evaluators.

Funds from the 2005 appropriation will allow BIA to fund the remaining five schools from the previous list, and to fund the first school on the new list, Dilcon Boarding School in Arizona, as well as three cost-share demonstration schools and six major facilities and improvement repair projects.

The 2006 budget for education construction totals \$173.9 million. This will fund the second school on the priority

list, Porcupine Day School in South Dakota, and phase I of the third school on the priority list, Crownpoint Community School in New Mexico. The funding level for school construction has been reduced in order to allow the program to focus on building the schools already funded for construction. Between 2001 and 2005, funding was appropriated for 34 replacement schools. Nine of these schools have been completed and are operating. Twenty five are in design or construction.

The Education Facilities Improvement and Repair program is funded at \$128.4 million. The 2006 request will fund four major facilities and improvement projects, annual maintenance needs, and minor repair projects to address critical health and safety concerns, non-compliance with code standards, and program deficiencies at existing education facilities.

In response to PART findings, BIA has improved efficiency and performance accountability in the school construction program by establishing the following long-term goals: 1) construct 100 percent of replacement schools in four years from planning and design through construction by 2008; 2) reduce the average cost per square foot on academic construction projects from \$198 in 2004 to \$161 in 2008, adjusted for inflation; and 3) reduce excess space by 300,000 square feet annually.

**Evaluation of Tribal Priority Allocation Distribution** — Tribal Priority Allocations fund basic tribal services, such as social services, adult vocational training, child welfare, natural resources management, and contract support. The TPA gives Tribes the opportunity to further Indian self-determination by establishing their own priorities and moving Federal funds among programs.

The funding process used today is a formula allocation based on historical funding levels established in the early 1970s, and has remained essentially the same. In an effort to improve program accountability and to ensure that funding is targeted to the areas of greatest need, the Department will evaluate the allocation of funds within the TPA program and consult with Tribes to examine ways to better distribute TPA funding.

**Economic Development** — High unemployment rates on reservations are one of the greatest challenges facing Indian Country. The 2006 budget includes \$500,000 to establish an Economic Development Commission to investigate impediments to tribal business development, and develop an operational model for tribal businesses. This increase supports Indian economic development and the BIA performance goal to reduce unemployment.

**Resolving Land and Water Claims** — The budget includes

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\$24.8 million for payment of authorized Indian land and water claim settlements in Oklahoma, Nevada, Colorado, and New Mexico. These settlements resolve long-standing claims to water and lands by Indian Tribes. They are the result of negotiations between the Tribes, Federal government, and other interested parties. While the specific provisions of each settlement differ, most contain multi-year funding commitments. Once an agreement has been reached, the Tribes depend on appropriated funds to implement the agreements, often beginning new water development projects or other economic development initiatives with those funds. Failure to provide funding for a settlement agreement can result in increased costs over time and the payment of interest penalties by the Federal government.

The budget includes \$10.2 million for the Cherokee, Choctaw, and Chickasaw settlement in Oklahoma, \$8.1 million for the Colorado Ute / Animas La Plata settlement, and \$5.4 million for the Zuni Water settlement. The 2006 request for settlements is \$19.4 million less than the 2005 funding level because of a decreased payment requirement for the Zuni Water settlement and completion of

the Cuba Lake Land settlement. The budget proposes to fund the Quinault settlement in the Fish and Wildlife Service rather than BIA.

**Other Program Changes** — The budget includes reductions in programs due to lack of performance accountability, duplication of other Federal or State programs, and implementation of management efficiencies. These reductions include -\$6.4 million for welfare assistance, -\$431,000 for energy development grants, -\$1.4 million for agency office administrative costs, -\$2.0 million for water management and planning, -\$2.4 million for water rights negotiations and litigation, -\$2.0 million for the endangered species program, and -\$2.1 million for one-time costs associated with the removal of Chiloquin Dam.

In addition, the request includes decreases of \$260,000 for anticipated savings related to improved fleet management, and \$542,000 for anticipated savings related to improved space management.

**Fixed Costs** — Fixed cost increases are fully funded at \$31.1 million.

**SUMMARY OF BUREAU APPROPRIATIONS**  
**(all dollar amounts in thousands)**

*Comparison of 2006 Request with 2005 Enacted:*

	2005 Enacted FTE	2006 Request Amount	2006 Request FTE	Change from 2005 FTE	Change from 2005 Amount
<b>Appropriations</b>					
Operation of Indian Programs .....	6,837	1,926,091	6,846	+9	-1,861
Reimbursable Programs .....	658	0	658	0	0
Allocations from Other Agencies.....	694	0	694	0	0
Construction .....	346	319,129	346	0	-86,992
Reimbursable Programs .....	46	0	46	0	0
Allocations from Other Agencies.....	561	0	561	0	0
Indian Land and Water Claim Settlements and Miscellaneous Payments to Indians .....	0	44,150	0	24,754	0
Indian Guaranteed Loan Program Account.....	7	6,332	7	0	+16
Subtotal, Appropriations.....	<u>9,149</u>	<u>2,295,702</u>	<u>9,158</u>	<u>+9</u>	<u>-108,233</u>
<b>Permanents and Trusts</b>					
Operation & Maintenance of Quarters .....	58	4,950	58	0	+50
Miscellaneous Permanent Appropriations.....	398	83,464	398	0	+866
White Earth Settlement Fund.....	0	3,000	0	0	0
Indian Loan Guaranty & Insurance Fund					
Liquidating Account.....	0	0	0	1,000	0
Indian Direct Loan Program Account .....	0	652	0	0	-652
Indian Guaranteed Loan Program Account.....	0	2,979	0	0	-2,979
Revolving Fund for Loans, Liquidating Account...	0	-4,000	0	-4,000	0
Subtotal, Permanents & Trusts.....	<u>456</u>	<u>91,045</u>	<u>456</u>	<u>0</u>	<u>-1,715</u>
<b>TOTAL, BUREAU OF INDIAN AFFAIRS .....</b>	<b>9,605</b>	<b>2,386,747</b>	<b>9,614</b>	<b>+9</b>	<b>-109,948</b>

**HIGHLIGHTS OF BUDGET CHANGES**  
**By Appropriation Activity/Subactivity**

**APPROPRIATION: Operation of Indian Programs**

	2004 Actual	2005 Enacted	2006 Request	Change from 2005 Enacted
Tribal Priority Allocations.....	770,634	769,543	760,149	-9,394
Other Recurring Programs				
Education				
School Ops - Forward Funded .....	452,874	449,721	454,725	+5,004
Other School Operations.....	69,130	67,926	66,908	-1,018
Continuing Education .....	48,599	53,141	43,375	-9,766
Subtotal, Education.....	570,603	570,788	565,008	-5,780
Resources Management .....	44,120	42,131	37,293	-4,838
Subtotal, Other Recurring Prog's.....	614,723	612,919	602,301	-10,618
Non-Recurring Programs.....				
Community Development .....	2,470	3,452	0	-3,452
Resources Management .....	36,574	36,225	32,348	-3,877
Trust Services .....	37,184	36,308	32,977	-3,331
Subtotal, Non-Recurring Progs.....	76,228	75,985	65,325	-10,660
Central Office Operations				
Tribal Government.....	2,867	2,248	2,288	+40
Human Services .....	896	887	912	+25
Community Development .....	864	0	500	+500
Resources Management .....	3,445	3,416	3,044	-372
Trust Services .....	5,252	19,071	27,169	+8,098
General Administration .....	75,182	114,399	117,621	+3,222
Subtotal, Central Office Ops.....	88,506	140,021	151,534	+11,513
Regional Office Operations				
Tribal Government.....	1,328	1,095	1,323	+228
Human Services .....	3,153	3,038	3,019	-19
Community Development .....	846	778	966	+188
Resources Management .....	5,408	5,319	5,403	+84
Trust Services .....	24,133	24,049	27,376	+3,327
General Administration .....	28,817	7,083	3,503	-3,580
Subtotal, Regional Office Ops .....	63,685	41,362	41,590	+228
Special Prog's and Pooled Overhead				
Education .....	16,251	16,336	17,499	+1,163
Public Safety and Justice .....	172,495	180,063	192,265	+12,202
Community Development .....	8,254	8,102	0	-8,102
Resources Management .....	1,290	1,269	1,269	0
General Administration .....	81,811	80,491	92,298	+11,807
Subtotal, Special Programs .....	280,101	286,261	303,331	+17,070
TOTAL APPROPRIATION .....	1,893,291	1,926,091	1,924,230	-1,861

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## *Highlights of Budget Changes*

	<u>Amount</u> [+/-]
Fixed Costs	[+29,964]
Tribal Priority Allocations	-9,394
To support trust reform, an increase of \$1,800 to hire deputy agency superintendents at the agency level is requested to improve beneficiary services. The request also includes an increase of \$320 to provide base funding for new Tribes that have recently been recognized. The budget includes reductions in programs due to lack of accountability, duplication of other Federal or State programs, and implementation of management efficiencies. These reductions include welfare assistance (-\$6,420), Johnson O'Malley grants (-\$8,838), community fire protection (-\$1,162), energy development grants (-\$431), probate (-\$1,800), and administrative services at the agency office level (-\$1,410). In addition, a transfer of \$1,900 is proposed to move the attorney decisionmakers function for probate from BIA to OST. Fixed cost increases total \$9,927. Internal transfers total \$625. The request includes a decrease of \$105 for anticipated savings related to improved fleet management.	
Other Recurring Programs	-10,618
<i>Education:</i> The BIA's Education request includes an increase of \$2,000 to establish a leadership academy pilot program. The budget includes reductions in programs due to lack of accountability, duplication of other Federal or State programs, and implementation of management efficiencies. These reductions include elimination of the Therapeutic Residential Model (-\$3,034), a study of the FACE program (-\$326), the administrative costs grant fund (-\$486), consolidation of education line officers (-\$1,394), and the school statistics program (-\$673). For Tribally Controlled Community Colleges a decrease of \$9,766 is proposed.	
<i>Resources Management:</i> A total increase of \$3,100 is proposed for increased costs for operation and maintenance of the Middle Rio Grande District, and to establish a trust fund to support operations and maintenance costs for the Modoc Point Irrigation District. To focus funding on programs of higher priority on a nationwide basis in Indian Country and address bureau-wide priorities, a decrease of \$8,183 is proposed in resource management earmarks.	
Fixed cost increases total \$8,222. Internal transfers total -\$63. The request includes a decrease of \$15 for anticipated savings related to improved fleet management.	
Non-Recurring Programs	-10,660
Decreases are proposed for water management planning and predevelopment (-\$2,042), the endangered species program (-\$1,970), water rights negotiation (-\$2,354), and real estate services (-\$849). The unresolved hunting and fishing rights program is proposed for elimination (-\$76). To focus funding on programs of higher priority on a nationwide basis in Indian Country and address bureau-wide priorities, decreases of \$3,452 are proposed in community development and \$355 for Alaska Legal Services. Fixed cost increases total \$498. The request includes a decrease of \$60 for anticipated savings related to improved fleet management.	
Central Office Operations	+11,513
To support trust reform, the request includes an increase of \$8,000 to process probate cases. An increase of \$500 is included to establish an economic development commission. The request includes decreases of \$452 for natural resources management, \$498 for Assistant Secretary support, and \$95 for executive direction. Internal transfers total \$2,300. Fixed cost increases total \$1,758.	
Regional Office Operations	+228
To support trust reform, the request includes increases of \$1,200 to hire deputy regional directors, and \$1,600 to support the increased workload, which will result from the processing of the probate case backlog. A decrease of \$261 is proposed in executive direction. Fixed cost increases total \$1,404. Internal transfers total \$3,715.	
Special Programs and Pooled Overhead	+17,070
Increases of \$4,086 are requested for operational costs for new detention centers, \$3,200 for operations and maintenance of existing detention centers, \$5,000 to outsource detention of detainees	

to local jurisdictions in places where BIA facilities are non-compliant, and \$2,500 to expand law enforcement programs in areas where violent crime is most severe. The request includes an increase of \$1,500 for the annual rent costs for the National Indian Training Center. An increase of \$500 is requested for loan repayment for students who agree to a term of work with BIA. To focus funding on programs of higher priority on a nationwide basis in Indian Country, a decrease of \$8,102 is proposed in community development. Fixed cost increases total \$8,155. Internal transfers total \$853. The request includes a decrease of \$80 for anticipated savings related to improved fleet management, and a decrease of \$542 for anticipated savings related to improved space management.

#### APPROPRIATION: Construction

	2004 Actual	2005 Enacted	2006 Request	Change from 2005 Enacted
Education .....	294,954	263,372	173,875	-89,497
Public Safety and Justice .....	4,983	7,381	11,777	+4,396
Resources Management .....	38,678	40,289	38,272	-2,017
General Administration .....	2,156	2,126	2,136	+10
Construction Management .....	6,056	5,961	6,077	+116
TOTAL APPROPRIATION (w/o fire) .....	346,827	319,129	232,137	-86,992
Fire Repayment .....	35,463	0	0	0
TOTAL APPROPRIATION (w/ fire).....	382,290	319,129	232,137	-86,992

#### *Highlights of Budget Changes*

	Amount [+1,081]
Fixed Costs	
Education Construction	-89,497
The School Construction program includes \$35,000 for Porcupine Day School in South Dakota and Phase I of Crownpoint Community School in New Mexico. The budget also includes \$8,494 for advanced planning and design. The Facilities Improvement and Repair program request of \$128,381 will focus on the backlog of health and safety deficiencies at the Bureau-funded elementary and secondary schools. The employee housing repair program is funded at \$2,000. Fixed cost increases total \$842.	
Public Safety and Justice Construction	+4,396
An increase of \$4,386 is requested for facilities improvement and repair of detention centers. Fixed cost increases total \$10.	
Resources Management Construction	-2,017
The budget includes a decrease of \$2,120 for the one-time costs of the Chiloquin Dam removal project. Fixed cost increases total \$103.	
General Administration	+126
Fixed cost increases total \$126.	

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**APPROPRIATION: Indian Land and Water Claim Settlements and Miscellaneous Payments to Indians**


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	2004 Actual	2005 Enacted	2006 Request	Change from 2005 Enacted
White Earth Land Settlement (Admin)....	629	616	634	+18
Hoopa-Yurok Settlement Fund .....	252	247	254	+7
Indian Water Rights Settlements				
Pyramid Lake Water Rights Settle .....	143	140	144	+4
Ute Indian Water Rights Settlement.....	20,782	0	0	0
Rocky Boys Water Rights Settlement ...	33	0	0	0
Shivwits Band .....	123	0	0	0
Santo Domingo Pueblo.....	9,884	0	0	0
Colorado Ute.....	8,052	7,889	8,111	+222
Cherokee, Choctaw, and Chickasaw Settlement .....	10,000	9,833	10,167	+334
Quinalt Settlement.....	9,968	9,893	0	-9,893
Zuni Water Settlement.....	0	13,806	5,444	-8,362
Cuba Lake Land Settlement .....	0	1,726	0	-1,726
TOTAL APPROPRIATION .....	59,866	44,150	24,754	-19,396

*Highlights of Budget Changes*

	<u>Amount</u>
Indian Settlements and Miscellaneous Payments.	-19,396

A decrease of \$8,362 is requested to reflect a reduced requirement for Zuni water claims settlement. A decrease of \$1,726 is requested to reflect completion of the Cuba Lake land settlement with the Seneca Nation in New York. In order to keep the settlements on schedule, an increase of \$585 is requested because of the across-the-board reductions in 2005. In addition, a decrease of \$9,893 is proposed for the Quinalt settlement, which is funded in the 2006 Fish and Wildlife Service request.

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**APPROPRIATION: Indian Guaranteed Loan Program Account**


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	2004 Actual	2005 Enacted	2006 Request	Change from 2005 Enacted
TOTAL APPROPRIATION .....	6,417	6,332	6,348	+16

*Highlights of Budget Changes*

	<u>Amount</u>
Fixed Costs	[+16]

Indian Guaranteed Loan Program	<u>+16</u>
The Indian Guaranteed Loan Program enables banks to provide loans to Indian entrepreneurs, thereby further enhancing reservation economies and employment opportunities. Fixed cost increases total \$16.	



# DEPARTMENTAL OFFICES

**Overview** — The Department of the Interior protects and manages the Nation's cultural heritage and natural resources; provides scientific and other information about those resources; and honors trust responsibilities and commitments to American Indians, Alaska Natives, and affiliated island communities. This mission is encompassed in the four themes delineated in the Department's strategic plan: resource protection, resource use, recreation, and serving communities.

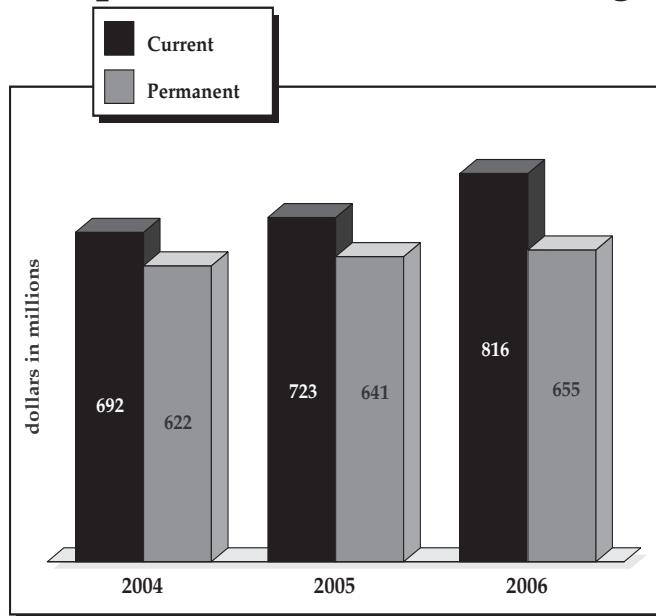
Within this mission, the Department of the Interior is accountable for wide-ranging programs such as fulfilling Indian trust responsibilities; migratory wildlife conservation; historic preservation; endangered species protection; abandoned mine lands restoration; and earth and natural resource science.

**Management Excellence** — The Department continues to make significant progress on the President's management agenda and other management improvements. Through management improvements, Interior is achieving greater efficiency and accountability, employing modern technology, eliminating duplication, and enhancing service to citizens.

Budget and performance integration lies at the heart of ensuring both the strategic allocation and efficient use of funds. The Interior Department is utilizing Program Assessment Rating Tool reviews and Office of Inspector General, General Accounting Office, and National Association of Public Administration program evaluations to assist in the identification of measures that can strengthen programs and improve the linkage of budget and performance information.

Activity-based cost management is being employed by the Department so that unit costs and performance by dollars spent and actions undertaken can be measured and compared. To further strengthen accountability and financial management, Interior is deploying the Financial and Business Management System, which will replace a variety of outdated, stand-alone systems that are costly to operate, difficult to secure, and unable to provide timely financial and performance information.

## Departmental Offices Funding



Departmental Offices principally provide leadership, management, and coordination activities. They also provide centralized services and oversee the operation of common systems used by the bureaus to accomplish their work. For example, the Office of the Secretary provides executive direction for the Department. It guides and coordinates the Department's administrative activities such as finance, information resources, procurement and acquisition, human resources, and budgeting. The Solicitor's Office provides legal services, and the Inspector General's Office reviews Departmental activities and conducts audits and investigations.

There are several other significant programs within Departmental Offices. The Payments in Lieu of Taxes program provides payments to local governments in jurisdictions where Federal lands are located. The Office of Insular Affairs provides assistance to insular areas, such as the Virgin Islands and Guam. The Office of the Special Trustee for American Indians manages and discharges the Secretary of the Interior's responsibilities for \$3.4 billion in trust assets for American Indians. The Natural

Resource Damage Assessment and Restoration program coordinates all of the Department's restoration efforts for affected resources. The Central Hazardous Materials Fund provides a coordinated, consistent approach to remediate sites impacted by hazardous substances.

### Office of the Secretary

**Mission** — The Office of the Secretary's mission is to provide the executive level leadership, policy, guidance, and coordination needed to manage the diverse, complex, and nationally significant programs that are the Department of the Interior's responsibilities.

**Program Overview** — The Interior Department is comprised of eight bureaus and numerous offices, each with a unique mission. The Department of the Interior's 2006 budget request includes \$10.8 billion in current appropriations and anticipates the collection of \$13.8 billion in receipts. To deliver Interior's broad mission, employees are geographically dispersed across the entire United States operating from over 2,400 locations including physical and social scientists, historians, architects, engineers, attorneys, trust officers, rangers, law enforcement officers, teachers, and construction and maintenance workers. In 2006, Interior will issue thousands of leases for oil and gas or geothermal exploration and development; deliver water to 31 million people; maintain and operate parks, wildlife refuges, and recreational areas that will host over 470 million visitors; and educate approximately 48,000 Indian children. The Department manages about 41,800 buildings and manages over half a billion acres of surface land.

Although a sizable task, the Office of the Secretary leads this dynamic organization with approximately eight-tenths of one percent of Interior's total budget. The majority of activities associated with the Office of the Secretary are funded from the Departmental Management appropriation and located in Washington, D.C. Field offices across the country provide support for environmental protection, Indian probate, hearings and appeals, indirect cost negotiations, appraisal services, and aircraft services.

The National Business Center provides major business and administrative services to Interior bureaus and offices and other Federal agencies on a fully reimbursable basis through the Working Capital Fund. The major business lines that NBC manages include financial management, payroll and personnel, aircraft services, procurement and electronic commerce, web development, quarters management, drug testing, career development and online training, information technology, and facilities and property management.

**Budget Overview** — The 2006 President's budget request for Departmental Management is \$330.0 million. This includes \$120.2 million for Salaries and Expenses, which includes \$89.2 million for the Office of the Secretary, \$7.4 million for appraisal services, and \$23.6 million for the Financial and Business Management System. Departmental Management also includes \$200.0 million for PILT and \$9.9 million for the Central Hazardous Materials Fund.

Within the 2006 budget request for Salaries and Expenses are \$6.1 million for fixed costs and \$1.7 million for program increases to address important Department-wide investments, including: the Take Pride in America program, which promotes the conservation of public lands through volunteerism; cooperative conservation capacity building; improved law enforcement and security; and improved financial accountability.

**Organizational Changes** — The 2006 budget reflects the full year results of organizational changes made in 2005 including the transfer of the Freedom of Information Act Appeals function from the Office of the Chief Information Officer to the Office of the Solicitor (-\$131,000), and the transfer of the single audit function from the Office of Inspector General to the Office of Financial Management (+\$309,000). The 2006 budget reflects the transfer of \$1.2 million in 2005 for the Indian Arts and Crafts Board from BIA to Departmental Management.

The 2006 budget proposes to transfer the responsibility for management of the Central Hazardous Materials Fund from the Bureau of Land Management to the Office of the Secretary. Much like the successful Natural Resource Damage Assessment and Restoration program, Departmental management and oversight of the Fund will result in increased coordination and collaboration among the bureaus and improve overall accountability. The 2006 budget continues funding for the cleanup of Federal lands funded in this program at \$9.9 million, the same as the 2005 level.

In 2004, real estate appraisal functions within the Department were consolidated in NBC, and the program now provides appraisal services in support of land acquisition and other programs in the National Park Service, Fish and Wildlife Service, Bureau of Reclamation, and the BLM. As recommended in the Statement of the Managers accompanying the 2005 Interior Appropriations Act, the 2006 budget proposes to include transfer funds from BLM, FWS, and NPS for the appraisal services function in the Departmental Management budget. The appraisal function is funded in DM at \$7.4 million.

**Program Changes** — The Department is undertaking significant information technology reforms to centralize

and standardize network operations and develop consistent and effective business practices. The 2006 budget includes a \$9.4 million increase to continue deployment of the Financial and Business Management System. The FBMS will replace outdated financial systems with a single business system that provides access to improved financial and management information; integrates financial, procurement, property and other systems; and will result in more efficient and productive operations. Full functionality of FBMS requires that the Enterprise Services Network be operational.

The 2006 budget requests funds for the continued development of the Enterprise Services Network, which will provide a secured, single network infrastructure and a platform for the Financial and Business Management System. The 2006 budget request includes \$7.0 million, Department-wide, for ESN. The Departmental Management budget includes \$1.5 million for its costs for the ESN project and other enterprise information technology investments. The budget also includes \$463,000 for cleanup and preparation of DM financial information for migration to the new Financial and Business Management System.

To further strengthen the Department's ability to protect national monuments and other icons, ensure that the public lands are safe for employees and the visiting public, and protect natural and cultural resources, the budget includes an increase of \$700,000 for the Office of Law Enforcement and Security. Funding would be used to continue implementation of the Secretary's law enforcement directives including establishment of a robust internal affairs function to provide for effective self-policing of law enforcement programs throughout the Department and implementation of a program evaluation function to maximize the effectiveness and efficiency of law enforcement programs.

The Department is investing significant human capital and funding in the development of performance and cost data. The 2006 budget includes \$250,000 to develop tools that will allow staff to fully utilize this information for budget formulation and resource allocation. These methods and models would be shared throughout the Department to improve the analytical processes at the bureau and Departmental level and to improve consistency in data interpretation.

The 2006 Salaries and Expenses budget requests an increase of \$509,600 for the Take Pride in America program to increase Interior's efforts to generate partnership and volunteer support for stewardship of parks, refuges, and other public lands. The increase will expand efforts to promote volunteerism and solicit funds for public lands

conservation, thereby leveraging Federal funds for the Interior's stewardship activities.

The 2006 budget request includes an increase of \$100,000 to improve the ability of the Indian Arts and Crafts Board to enforce aspects of the Indian Arts and Crafts Act of 1990 to protect the quality and genuineness of Indian arts and crafts.

An increase of \$1.2 million is requested to fund support costs for the appraisal function that were not adequately funded in the transfer of funds from bureaus. The budget also requests an increase of \$200,000 for capacity building to address expanded needs for management of partnerships and to ensure bureau staff are adequately equipped with the tools they need to effectively manage partnership projects.

The budget also proposes funding reductions of \$235,000 for the Departmental Offices' portion of anticipated costs savings that will result from the Department-wide fleet and space management initiatives. The 2006 budget includes a \$4.9 million reduction for a one-time land acquisition grant in 2005.

**Payments in Lieu of Taxes** — The 2006 budget proposes \$200.0 million for the Payments in Lieu of Taxes program. The PILT payments are made for lands administered by Interior agencies including BLM, NPS, and FWS, as well as for land administered by other agencies such as the U.S. Forest Service.

The PILT payments are made to local governments in counties, townships, and other jurisdictions where certain Federal lands are located within their boundaries based on the concept that local governments incur costs associated with maintaining infrastructure on Federal lands within their boundaries but are unable to collect taxes on these lands. As part of the President's effort to reduce the deficit, the budget proposes a reduction of \$26.8 million from the record high 2005 level.

**Central Hazardous Materials Fund** — The 2006 budget proposes \$9.9 million for the Central Hazardous Materials Fund. Beginning in 2006, the Fund will be managed centrally with immediate oversight by the Office of Environmental Policy and Compliance. Relocation of the Fund to the Department will allow more focused and consistent program and fiscal management of this account that funds Department-wide cleanup and remediation of sites impacted by hazardous materials.

**Fixed Costs** — Fixed costs for the Office of the Secretary are fully funded at \$6.1 million.

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## **Office of Insular Affairs**

**Mission** — The Office of Insular Affairs assists the islands in developing a more efficient and effective government by providing financial and technical assistance and helps manage Federal-island relations by promoting appropriate Federal policies.

**Program Overview** — The OIA carries out the Secretary's responsibilities for U.S. affiliated insular areas. These include the territories of Guam, American Samoa, the U.S. Virgin Islands, and the Commonwealth of the Northern Mariana Islands, as well as the three freely associated states: the Federated States of Micronesia, the Republic of the Marshall Islands, and the Republic of Palau. The OIA achieves its mission by improving the financial management practices of insular governments, increasing economic development opportunities, and increasing Federal responsiveness to the unique needs of island communities.

**Budget Overview** — The proposed 2006 budget is \$392.4 million, of which \$79.1 million is requested in current appropriations, a \$1.9 million net decrease from 2005 that mainly reflects the reduction of congressionally earmarked increases.

The budget continues to focus on strategies that contribute to increasing the self-sufficiency of insular areas. The 2006 request includes an increase of \$1.0 million to provide for a grant program that will fund water and wastewater projects in the U.S. Virgin Islands, Guam, the Northern Mariana Islands, and American Samoa. These territories face a myriad of water problems on a daily basis, including a lack of running water 24 hours a day, wastewater infrastructure deficiencies that have caused violations of Federal environmental laws, and drinking water quality which is not always up to the U.S. standards. Furthermore, program increases include \$331,000 for American Samoa grant funding and \$128,000 for general technical assistance.

In addition to the decrease of \$3.3 million in earmarked funding, the budget also contains a \$493,000 reduction in current Enewetak operations funding. The current Compact of Free Association, ratified in December of 2003, now provides funding for this activity within permanent funds, which allows for this funding to be freed up and used for other purposes.

The OIA permanent funding is a reflection of long-term commitments that are guaranteed in law. Permanent appropriations for OIA in 2006 total \$313.3 million. This funding includes \$198.3 million in Compact of Free Association payments to the Republic of the Marshall

Islands, the Federated States of Micronesia, and Palau. Also included is \$115.0 million in payments to territories, which reimburses the Virgin Islands for Federal excise taxes collected on rum sales and Guam for the income taxes collected from Federal employees and military personnel residing in Guam.

**Fixed Costs** — Fixed costs for the Office of Insular Affairs total \$325,000 and are fully funded.

## **Office of the Solicitor**

**Mission** — The Office of the Solicitor's mission is to provide high quality legal services to the Secretary and Interior's offices and bureaus.

**Program Overview** — The Solicitor's Office attorneys provide legal advice and counsel to all areas of the Department in order to ensure that Interior's programs and initiatives are carried out in a manner consistent with applicable law and regulations. They prepare formal legal opinions; review draft legislation, regulations, contracts, and other documents; and provide informal legal advice in a wide variety of circumstances. In addition, the attorneys represent Interior in administrative litigation and assist the Department of Justice with judicial litigation involving the Department. The Office's headquarters is located in Washington, D.C. There are 18 regional and field offices located throughout the United States.

**Budget Overview** — The Solicitor's 2006 budget request is \$55.8 million, an increase of \$4.1 million over 2005. This amount includes a program increase of \$2.0 million, and \$131,000 in transfers.

**Program Changes** — The Office of the Solicitor's 2006 budget request includes an increase of \$1.2 million for information technology. This includes \$250,000 for two additional positions for IT security and customer support for the 18 field and regional offices; \$570,000 for recurring operating expenses including electronic archiving, network monitoring, data center usage, annual license fees, supplies, and maintenance of security related equipment; \$75,000 for SmartCard implementation; \$55,000 to replace aging printers; \$175,000 to acquire a Legal Knowledge Management System to assist in the electronic record-keeping and availability of documents for attorneys and staff in field and regional offices; \$22,000 for certification and accreditation; and \$50,000 for software upgrades.

The budget also includes an increase of \$520,000 for four additional attorney positions based on projected growth in legal work in the Department attributable to partnership initiatives, increased litigation, and discovery requests. These attorneys will be located at the Twin

Cities Field Office, Rocky Mountain Regional Office, and Division of General Law and Division of Administration in Washington, D.C.

The budget proposes to shift funding of \$131,000 from the Office of the Chief Information Officer to the Office of the Solicitor consistent with the 2004 transfer of the Freedom of Information Act function. The budget also includes a \$200,000 program increase for two positions to fully staff the FOIA appeals function.

An increase of \$212,000 would be used to provide much needed funding for training, travel, and other support of legal staff.

**Fixed Costs** — Fixed costs for the Office of the Solicitor are fully funded at \$1.9 million.

#### Office of Inspector General

**Mission** — The mission of the Office of Inspector General is to promote excellence, accountability and integrity in the programs, operations, and management of the Department of the Interior.

**Program Overview** — The OIG assists the Secretary and Congress by targeting resources toward oversight of the Department's most serious management and program challenges, and toward high-risk areas vulnerable to fraud, waste, abuse, and mismanagement. The OIG is responsible for independently and objectively identifying risks and vulnerabilities that directly impact, or could impact Interior's ability to accomplish its mission. The OIG is required to keep the Secretary and the Congress fully and currently informed about problems and deficiencies relating to the administration of Departmental programs and operations. Effective implementation of this mandate addresses the public's demand for greater accountability and integrity in the administration of government programs and operations and the demand for programs that work better, cost less, and get the results about which Americans care most. The OIG headquarters is located in Washington, D.C., with field offices and staff in locations across the continental United States, the U.S. Virgin Islands, and Hawaii.

**Budget Overview** — The 2006 budget request for the OIG is \$41.0 million, an increase of \$3.7 million over 2005. This includes program increases of \$761,000 for Audits, \$1.2 million for Investigations, and \$213,000 for Administrative Services and Information Management.

**Program Changes** — The Office of Inspector General budget includes an increase of \$2.1 million for four positions to perform Federal Information Security Management

Act compliance oversight, two positions to form the Office of Evaluations and Management Services, and eight positions for investigations.

The request also includes \$170,000 for permanent change of station in the formation of the Office of Evaluations and Management Services, \$59,000 to maintain current security clearances, \$100,000 to upgrade and enhance computer equipment and software, and \$54,000 for formal technical and leadership training.

The 2006 budget request proposes to shift \$309,000 to the Department's Office of Financial Management consistent with the 2004 transfer of the single audit function.

**Fixed Costs** — Fixed costs for the Office of Inspector General are fully funded at \$1.6 million.

#### Office of the Special Trustee for American Indians

**Mission** — The Office of the Special Trustee for American Indians provides fiduciary guidance, management, and leadership for both tribal trust accounts and individual Indian money accounts. The OST oversees and coordinates the Department's efforts to ensure establishment of consistent policies, procedures, systems, and practices throughout Interior for trust. The OST has operating responsibility for financial trust fund management; including investment, receipt, and disbursement of Indian trust funds. The Bureau of Land Management, Minerals Management Service, Bureau of Indian Affairs, Office of Hearings and Appeals, and Office of Historical Trust Accounting carry out additional trust functions of the Department.

**Program Overview** — The Office of the Special Trustee manages over \$3.4 billion of funds held in over 1,400 trust accounts for 300 Indian Tribes and over 260,000 open IIM accounts. The balances that have accumulated in the trust funds have resulted generally from judgment awards, settlement of claims, land use agreements, royalties on natural resource depletion, other proceeds derived directly from trust resources, and financial investment income.

The Interior Department is carrying out a comprehensive and systematic plan to reform the management of its trust responsibilities. This comprehensive effort has been described in the reports provided to the U.S. District Court in *Cobell v. Norton*. The comprehensive plan and the processes it contains are being used to identify and implement the changes necessary in Interior's fiduciary trust management. The primary elements of this ongoing effort are: 1) the reorganization of Interior's fiduciary trust offices to improve delivery of services, effectiveness, and accountability of trust operations; 2) the re-engineering

of Interior's fiduciary trust business processes and universal support functions to ensure that Interior meets its fiduciary trust goals and objectives; and 3) the reduction of fractionated individual Indian trust land interests.

Based on Interior's evaluation of its fiduciary trust-related organizations and a lengthy consultation process with Tribes and individual Indians, the Department reorganized certain functions within BIA and OST. The OST continues to retain oversight responsibilities of fiduciary trust asset management, management of financial assets, and certain reform projects. The OST also has line authority over regional trust administrators and trust officers. These new positions are being filled by skilled trust administrators or staff trained in these responsibilities. The reorganization plan includes six regional trust administrators to oversee a staff of trust officers and trust account managers in field locations. They will interact with BIA regional and agency staff to enhance local level decisionmaking and be more responsive to beneficiaries.

On January 6, 2003 the Department submitted the *Fiduciary Obligations Compliance Plan* to the U.S. District Court, in compliance with a September 17, 2002 court order that required the Department to submit a plan showing how it intends to comply with certain fiduciary obligations to individual Indian money accountholders in accounting for management of their IIM trust funds. The plan describes the ongoing trust reform planning and implementation process in which Interior is currently engaged.

Also submitted to the court on January 6, 2003, was the *Historical Accounting Plan For Individual Indian Money Accounts*. The Department's accounting plan provides for a historical accounting for about 260,000 IIM accounts over a five-year period at an estimated cost of \$335 million using both the transaction-by-transaction and statistical sampling techniques to develop assurances of the accuracy of the statements of accounts. The plan addresses the process to conduct a historical accounting for about 260,000 IIM accounts as directed by the court.

Interior's re-engineering of the trust business processes consisted of two basic phases: an "As-Is" documentation of those processes and the development of a "To-Be" process model. The "To-Be" model has been completed and is being implemented in accordance with Interior's strategic plan for trust reform. An implementation plan for the "To-Be" model, or the Fiduciary Trust Model as it is now known, was approved on August 11, 2004, and implementation will continue throughout 2006.

**Budget Overview** — The 2006 request for OST accounts totals \$303.9 million, \$269.4 million for Federal Trust Programs and \$34.5 million for Indian Land Consolida-

tion. The request reflects a net \$75.9 million, or 33 percent increase, above the 2005 enacted level and provides a significant increase in funding for historical accounting.

As a result of base evaluation of trust programs, reductions or redirections of \$6.5 million can be refocused on other high priority trust reform initiatives. The \$6.5 million in savings are possible due to the completion of certain trust systems work supporting the development of policies and procedures (-\$2.0 million), records management (-\$1.5 million), and risk management (-\$1.1 million) activities, and the implementation of a virtual trust data warehouse and appraisal system (-\$950,000). In addition, a reduction of \$1.0 million in the appraisal program is possible as a result of economies and efficiencies resulting from conducting reservation-wide rather than individual tract land appraisals.

Other changes for OST include an increase of \$1.0 million for payment of field office space costs and offsetting decreases include \$108,000 for economies in space utilization and \$50,000 for fleet utilization as part of Department-wide management improvement efforts.

The 2006 budget request reflects a transfer of \$1.9 million from BIA for probate adjudication activities. A single probate adjudication office was established as part of the recommendations of the Fiduciary Trust Model. The probate adjudication function has been consolidated within the Office of Hearings and Appeals, and funded from trust reform projects in OST.

The 2006 budget request supports implementation of the ESN and the Administration's high payoff e-government initiatives. The budget proposes a net increase of \$496,000 for these information technology improvements.

**Historical Accounting** — Within the OST request is \$135.0 million for the Office of Historical Trust Accounting, an increase of \$77.8 million above the 2005 level. The 2006 budget for IIM accounting is based on an estimate of the Department's costs to continue implementation of the *Historical Accounting Plan for Individual Indian Money Accounts*. This amount may be revised depending on the outcome of court rulings in *Cobell v. Norton* and congressional action, which could potentially delineate the specific historical accounting obligations of the Department.

This substantial increase provides the resources to conduct historical accounting in accordance with the five-year historical accounting plan filed with the court and to continue to address tribal accounting. These funds will provide OHTA the ability to reconcile 30,000 land-based IIM account transactions, digitizing over ten million paper era transaction records for reconciliation, and creating 200,000

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account statements for reporting historical accounting. This increased level of funding will also provide for the cleanup and distribution to the proper owners of \$17.7 million in residual balances in special deposit accounts.

Within the total OHTA program amounts, \$40.0 million will be expended on historical accounting for tribal accounts related to 24 lawsuits. As part of these activities in 2006, OHTA expects to conduct historical accountings for ten Tribes.

**Indian Land Consolidation** — One of the greatest challenges facing the Federal government regarding fiduciary trust management is the fractionation of individual Indian interests in the land that the Federal government holds in trust. The Indian Land Consolidation program, which acquires small ownership shares in allotted lands, is a key component in trust reform and management.

With each successive generation, the individual interests in the land have become further divided and subdivided among heirs, each of whom get a smaller and smaller interest in the land. As this number of ownership interests grows, the cost of Federal resources necessary to undertake accounting and management responsibilities grows accordingly. The ownership of many disparate, uneconomic, and small interests benefits no one in Indian Country and creates an administrative burden that drains resources away from other Indian programs.

Through December 31, 2004, Interior has acquired a cumulative total of 117,661 interests. These interests represent the equivalent of almost 87,000 acres in the Midwest, Northwest, Western, Eastern Oklahoma, and Great Plains Regions. Over 90 percent of the interests purchased were interests of less than two percent ownership in the respective tracts of land. The nationwide program utilizes contractual arrangements with Tribes or private entities to purchase individual interests on behalf of the Department. The 2006 budget request includes \$34.5 million for Indian land consolidation. It is estimated that 46,000 additional interests can be acquired with the budget request level.

**Fixed Costs** — Fixed costs are funded at \$1.4 million.

#### **Natural Resource Damage Assessment and Restoration Program**

**Mission** — The mission of the Natural Resource Damage Assessment and Restoration program is to restore natural resources injured as a result of oil spills or hazardous substance releases into the environment. In partnership with other affected State, tribal, and Federal co-trustee agencies, damage assessments provide the basis for de-

termining the restoration needs that address the public's loss and use of these resources.

**Program Overview** — The Natural Resource Damage Assessment and Restoration program assesses the damages and injuries to natural resources entrusted to the Department of the Interior that are caused by oil spills or hazardous releases.

Appropriations and recoveries for the damage assessment are used to fund activities that identify and quantify injury and provide the basis for compensation from responsible parties, usually through negotiated settlements. Restoration activities are then carried out or funded by the responsible parties as compensation for the injury to natural resources, and may include the replacement and protection of affected resources, acquisition of equivalent resources and services, and long-term environmental monitoring. These actions are taken on behalf of the public and in partnership with other natural resource trustees, including States, Tribes, and other Federal agencies. Responsible parties are also given an opportunity to participate in the assessment and restoration process by way of cooperative agreements.

Every damage assessment and restoration case managed by the program is conducted in collaboration with co-trustees, and all restoration plans must undergo public review and be approved by affected State and tribal governments. The Restoration program serves as a model for implementation of the Secretary's Four C's in its day-to-day operations through partnerships with tribal, State, and other Federal co-trustees, as well as with non-governmental conservation organizations and industry. These partners concur with Interior's emphasis on pursuing restoration as the ultimate goal of the program. The Restoration program is an integrated Departmental program, drawing upon the interdisciplinary strengths of the various bureaus and offices. A centralized program management function minimizes redundant administrative and managerial functions in the bureaus.

**Budget Overview** — The 2006 request for the Restoration program is \$38.1 million, including \$32.0 million in permanent appropriations. For current appropriations, the \$6.1 million request is \$369,000 over the 2005 enacted appropriation. The \$6.1 million request includes \$3.9 million for damage assessment projects, \$1.6 million for program management, and \$583,000 for restoration support. The requested level of \$32.0 million for permanent appropriations represents the anticipated amount of settlement receipts to be recovered in settled damage assessment cases in 2006. These receipts are used exclusively by trustees for restoration of damaged lands and resources or for reimbursement of past assessment costs.

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**Program Changes** — The 2006 budget proposes an increase of \$369,000, including \$217,000 for the restoration activity, to accelerate the restoration of hundreds of acres of injured trust resources, by leveraging over \$300 million that has already been or will soon be recovered from responsible parties. The Restoration program identified increased interagency restoration support, specifically, restoration science, as its greatest need towards accomplishing its restoration mission over the next five years. The U.S. Geological Survey currently provides scientific guidance and technical support to the program on damage assessments. The 2006 request is intended to complement current USGS efforts by providing for a corresponding restoration science support capability to the program, a commitment to the emphasis the Department places on the primary goal of restoration. The proposed increase will facilitate use of USGS science expertise to address the ecological restoration of systems injured by the release

of oil or other hazardous substances and the monitoring and measurement of restoration success. The increase will enable the Restoration program to contract with USGS to provide specific technical support to the trustee bureaus on meeting complex scientific challenges that influence successful restoration, by improving the science of design, implementation, and monitoring of habitat or contaminant type-specific restoration projects.

This request enables the program to restore 8,500 acres and 80 shoreline / stream miles of injured habitat and to set targets to initiate restoration activities at 24 new sites (200 cumulative) and to deposit an additional \$32.0 million in new settlement funds (\$337.0 million cumulative).

**Fixed Costs** — Fixed costs for this program total \$91,000, all of which are funded.

**SUMMARY OF BUREAU APPROPRIATIONS**  
**(all dollar amounts in thousands)**

*Comparison of 2006 Request with 2005 Enacted:*

	2005 Enacted		2006 Request		Change from 2005	
	FTE	Amount	FTE	Amount	FTE	Amount
<b>Appropriations</b>						
Departmental Management.....	397	95,821	404	120,155	+7	+24,334
Payments in Lieu of Taxes .....	1	226,805	1	200,000	0	-26,805
Central Hazardous Materials Fund.....	7	-3,645	7	9,855	0	+13,500
Assistance to Territories .....	40	75,581	40	74,263	0	-1,318
Compact of Free Association.....	0	5,450	0	4,862	0	-588
Office of the Solicitor .....	422	51,656	431	55,752	+9	+4,096
Office of Inspector General.....	270	37,275	284	40,999	+14	+3,724
Office of Special Trustee for American Indians ....	581	193,540	581	269,397	0	+75,857
Indian Land Consolidation.....	0	34,514	0	34,514	0	0
Natural Resource Damage Assessment .....	6	5,737	6	6,106	0	+369
Subtotal, Appropriations.....	1,724	722,734	1,754	815,903	+30	+93,169
<b>Permanents and Other</b>						
Working Capital Fund.....	1,149	0	1,159	0	+10	0
Payments to U.S. Territories, Fiscal Assistance.....	0	115,000	0	115,000	0	0
Compact of Free Association.....	0	196,021	0	198,276	0	+2,255
Payment for Trust Accounting Deficiencies .....	0	6,000	0	0	0	-6,000
OST - Tribal Special Funds.....	0	220,514	0	233,745	0	+13,231
OST - Tribal Trust Fund.....	0	72,554	0	76,907	0	+4,353
Natural Resource Damage Assessment .....	0	32,000	0	32,000	0	0
Indian Arts and Crafts Board .....	0	51	0	52	0	+1
Departmental Management - Allocation Account .	86	0	86	0	0	0
Reimbursements - Departmental Management ....	162	0	163	0	+1	0
Reimbursements - Office of the Solicitor .....	56	0	56	0	0	0
Subtotal, Other Accounts .....	1,453	642,140	1,464	655,980	+11	+13,840
<b>TOTAL, DEPARTMENTAL OFFICES.....</b>	<b>3,177</b>	<b>1,364,874</b>	<b>3,218</b>	<b>1,471,883</b>	<b>+41</b>	<b>+107,009</b>
National Indian Gaming Commission.....	81	11,000	83	12,000	+2	+1,000

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**HIGHLIGHTS OF BUDGET CHANGES**  
**By Appropriation Activity/Subactivity**

**APPROPRIATION: Departmental Management**

	2004 Actual	2005 Enacted	2006 Request	Change from 2005 Enacted
Departmental Direction.....	13,457	13,358	13,591	+233
Take Pride in America .....	494	490	1,000	+510
Management and Coordination.....	28,561	28,554	30,298	+1,744
Hearings and Appeals .....	7,980	7,919	8,068	+149
Central Services .....	26,685	27,696	34,397	+6,701
USBM Workers Compensation Costs.....	683	629	643	+14
Kendall County Grant .....	4,938	4,931	0	-4,931
Financial & Business Mgt System.....	0	14,160	23,555	+9,395
Indian Arts and Crafts Board .....	0	1,042	1,162	+120
2005 Reduction .....	0	-2,958	0	+2,958
Appraiser Services .....	0	0	7,441	+7,441
TOTAL APPROPRIATION .....	<u>82,798</u>	<u>95,821</u>	<u>120,155</u>	<u>24,334</u>

*Highlights of Budget Changes*

	Amount [+6,094]
Fixed Costs	[+6,094]
Departmental Direction	+233
Fixed cost increases are fully funded at \$233.	
Take Pride in America	+510
The budget includes an increase for Take Pride in America to promote partnerships and volunteer support for improved stewardship of public lands (+\$501). Fixed cost increases are fully funded at \$9.	
Management and Coordination	+1,744
The budget includes a net increase arising from the transfers of the Single Audit Act function from the OIG (+\$309) and the Departmental FOIA coordinator to the SOL (-\$131). An increase for the Office of Law Enforcement will be used to establish an internal affairs position and a compliance position to provide the crucial investigation and oversight capability for a consistent and effective self-policing law enforcement program within the Department (+\$700). An increase is included to develop and help implement the tools needed to take full advantage of information captured in the Department's activity based cost management system (+\$250). Fixed cost increases are fully funded at \$616.	
Hearings and Appeals	+149
Fixed cost increases are fully funded at \$149.	
Central Services	+6,701
Increases in Central Services will provide for the Office of the Secretary's costs associated with the Enterprise Services Network, other IT investments, and government-wide e-gov initiatives (+\$1,473). Additional increases provide for financial data cleanup in preparation for conversion to FBMS (+\$463) and partnership training (+\$200). Savings generated by the Department's space and fleet management initiatives will partially offset the increases (-\$235). Fixed cost increases are fully funded at \$4,798.	
USBM and DOL Workers Compensation Costs	+14
Fixed cost increases are fully funded at \$14.	

	<u>Amount</u>
Kendall County Grant The budget includes a reduction of \$4,931 compared to the 2005 enacted level for the one-time grant funded in 2005.	-4,931
Financial and Business Management System The request includes an increase of \$9,395 over the 2005 level for the Financial and Business Management System.	+9,395
Indian Arts and Crafts Board An increase is included to enhance enforcement aspects to protect the quality and genuineness of Indian arts and crafts (+\$100). Fixed cost increases are fully funded at \$20.	+120
Restoration of 2005 Reduction The request restores \$3.0 million reduced as a result of a 2005 technical error in the Departmental Management, Salaries and Expenses appropriation.	+2,958
Appraisal Services The increase represents the transfer of base funding for appraisal services from bureaus (+\$5,941) and additional funding for support costs (+\$1,244). Fixed cost increases are fully funded at \$256.	+7,441

#### APPROPRIATION: Payments in Lieu of Taxes

	2004 Actual	2005 Enacted	2006 Request	Change from 2005 Enacted
TOTAL APPROPRIATION .....	224,697	226,805	200,000	-26,805

#### *Highlights of Budget Changes*

	<u>Amount</u>
Payments in Lieu of Taxes The budget includes \$200,000 for PILT, a \$26,805 decrease below the 2005 enacted level.	-26,805

#### APPROPRIATION: Central Hazardous Materials Fund

	2004 Actual	2005 Enacted	2006 Request	Change from 2005 Enacted
TOTAL APPROPRIATION .....	9,855	-3,645	9,855	+13,500

#### *Highlights of Budget Changes*

	<u>Amount</u>
Central Hazardous Materials Fund Beginning in 2006, oversight and management of the Central Hazardous Materials Fund will move to the Office of the Secretary and funding is realigned from BLM to DM.	+13,500

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**APPROPRIATION: Assistance to Territories**


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	2004 Actual	2005 Enacted	2006 Request	Change from 2005 Enacted
American Samoa				
Operations Grants.....	22,815	22,779	23,110	+331
Northern Marianas				
Covenant Grants (Mandatory) .....	27,720	27,720	27,720	0
Territorial Assistance				
Office of Insular Affairs.....	6,243	6,472	6,881	+409
Technical Assistance .....	12,406	11,716	9,561	-2,155
Maintenance Assistance Fund.....	2,272	2,268	2,300	+32
Disaster Assistance.....	0	0	0	0
Brown Tree Snake.....	2,321	2,663	2,700	+37
Insular Management Controls .....	1,473	1,470	1,491	+21
Coral Reef Initiative .....	494	493	500	+7
American Samoa Loan Subsidy .....	0	0	0	0
Subtotal, Territorial Assistance.....	25,209	25,082	23,433	-1,649
TOTAL APPROPRIATION .....	75,744	75,581	74,263	-1,318

*Highlights of Budget Changes*

	<u>Amount</u> [+325]
Fixed Costs	
American Samoa Operations Grants	+331
The budget request increases the operations grants to the American Samoan government by \$331 as part of the Department's on-going commitment to help them achieve economic self-sufficiency.	
Office of Insular Affairs	+409
The budget request increases the Office of Insular Affairs by \$84 in discretionary costs for staff, travel and other costs associated with promoting economic development in the insular areas. Fixed cost increases are fully funded at \$325.	
Technical Assistance	-2,155
Technical assistance is decreased by \$2,155 due to the elimination of lower priority earmarks for the prior service trust fund (-\$986); the water system rehabilitation system in the CNMI (-\$986) which the Department has replaced with a proposed water and waste water grant program available to all of the Insular areas (+\$1,000); judicial training in the ninth circuit (-\$316); and the Marshall Islands Health Care program (-\$986). General Technical Assistance is increased by \$105 and insular measures and assessments is increased by \$14.	
Maintenance Assistance Funds	+32
The budget provides increased funding for technical assistance for public infrastructure (+\$32).	
Brown Tree Snake	+37
The budget request increases funding necessary to control and eradicate the brown tree snake on Guam and the CNMI and to prevent its introduction into Hawaii and the continental United States (+\$37).	
Insular Management Controls	+21
The budget request increases discretionary grants to improve insular government systems and services (+\$21).	
Coral Reef Initiative	+7
The budget increases discretionary grants to improve coral reef management and protection of the insular areas (+7).	

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**APPROPRIATION: Compact of Free Association**

	2004 Actual	2005 Enacted	2006 Request	Change from 2005 Enacted
Compact of Free Association .....	2,700	2,957	2,862	-95
Mandatory Payments .....	2,000	2,000	2,000	0
Enewetak Support.....	1,679	493	0	-493
TOTAL APPROPRIATION .....	6,379	5,450	4,862	-588

***Highlights of Budget Changes***

	<u>Amount</u>
Compact of Free Association	-95
Funding decreases due to a reduction in actual postal service costs (-\$95).	
Enewetak Support	-493
The budget request eliminates Enewetak support as it is now included in the permanent funding for the Compact of Free Association (-\$493).	

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**APPROPRIATION: Office of the Solicitor**

	2004 Actual	2005 Enacted	2006 Request	Change from 2005 Enacted
Legal Services .....	39,418	40,916	42,660	+1,744
General Administration .....	9,302	9,701	12,020	+2,319
Ethics .....	1,033	1,039	1,072	+33
TOTAL APPROPRIATION .....	49,753	51,656	55,752	+4,096

***Highlights of Budget Changes***

	<u>Amount</u>
Fixed Costs	[+1,930]
Legal Services	+1,744
The increase funds four additional attorney positions (+\$520) to address the projected growth in legal work in the Department and provide training, travel, and other support (+\$188) for legal staff. Fixed costs are fully funded at \$1,036.	
General Administration	+2,319
The budget includes increases for information technology (+\$1,197) for two new positions to address new requirements, recurring operating expenses, security upgrades, a legal knowledge management system, and printer and software upgrades; funding for two positions (+\$200) for the FOIA appeals function; a transfer of the FOIA appeals function (+\$131) from the OCIO; and training, travel, and other support (+\$19) for the staff. This funding includes a decrease of \$94 for the improved space management. Fixed costs are fully funded at \$866.	
Ethics	+33
The increase includes funding for training, travel, and other support (+\$5) for staff. Fixed costs are fully funded at \$28.	

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**APPROPRIATION: Office of Inspector General**

	2004 Actual	2005 Enacted	2006 Request	Change from 2005 Enacted
Audit .....	14,524	16,270	17,744	+1,474
Contracted CFO Audits.....	3,765	0	0	0
Investigations.....	12,964	13,529	15,241	+1,712
Admin. Services & Info. Management.....	7,019	7,476	8,014	+538
<b>TOTAL APPROPRIATION .....</b>	<b>38,272</b>	<b>37,275</b>	<b>40,999</b>	<b>+3,724</b>

*Highlights of Budget Changes*

	<u>Amount</u>
Fixed Costs	[+1,550]
Audit	+1,474
The budget includes two additional staff (+\$300) and permanent change of station funding (+\$170) to form the Office of Evaluations and Management Services. It also provides for four additional staff (+\$600) to perform Federal Information Security Management Act compliance oversight. The budget includes a funding shift (-\$309) to the Department's Office of Financial Management consistent with the 2004 transfer of the single audit function. Fixed cost increases are fully funded at \$713.	
Investigations	+1,712
The increase funds eight new positions (+\$1,200), which will allow the office to recognize a decrease in the time it takes to complete the case work and see a significant increase in productivity, as well as materially increasing the ability to address a continuing flow of requests from the Department and Congress for integrity and complex white-collar crime investigations. Fixed cost increases are fully funded at \$512.	
Administrative Services and Information Management	+538
The budget includes increases to obtain security clearances (+\$59), computer equipment and software upgrades and enhancements (+\$100), and formal technical and leadership development training for the Mentoring Program Training Initiative (+\$54). Fixed cost increases are fully funded at \$325.	

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**APPROPRIATION: Office of the Special Trustee for American Indians**

	2004 Actual	2005 Enacted	2006 Request	Change from 2005 Enacted
Federal Trust Programs				
Executive Direction.....	2,247	2,216	2,232	+16
Program Ops, Support, & Improve .....	185,057	191,324	267,165	+75,841
<b>TOTAL APPROPRIATION .....</b>	<b>187,304</b>	<b>193,540</b>	<b>269,397</b>	<b>+75,857</b>

*Highlights of Budget Changes*

	<u>Amount</u>
Fixed Costs	[+1,365]
Executive Direction	+16
Fixed cost increases are fully funded at \$16.	
Program Operations and Support	+75,841
Net increases in funding for trust operations and reform activities include a significant increase to continue conducting a historical accounting of both individual and tribal accounts (+\$77,806).	

Other changes for OST include increased funding for payment of additional field office space costs (\$1,000). Increased funding will provide for OST's continued share of IT Security Certification and Accreditation, and Enterprise Services Network costs (+\$499).

Minor program changes provide for changes to support implementation of the Administration's high-payoff e-government initiatives to integrate agency operations and information technology investments, (-\$3), and for economies in space utilization (-\$108) and fleet utilization (-\$50) as part of Department-wide management improvement efforts.

A technical adjustment and transfer between OST and BIA accounts occurred as a result of the establishment of a single probate adjudication office (+\$1,900).

These increases are partially offset by decreases as a result of base evaluation of trust programs. This redirected funding can be refocused on other high priority trust reform initiatives. The request reflects reductions under the policies and procedures (-\$2,002), records management (-\$1,500), risk management (-\$1,100) activities, and the virtual trust data warehouse and appraisal system (-\$950), due to the completion of certain trust systems work supporting trust reform development. In addition, a reduction in the appraisal program is possible as a result of economies and efficiencies in conducting reservation-wide rather than individual tract land appraisals (-\$1,000).

Fixed cost increases are fully funded at \$1,349.

#### **APPROPRIATION: Indian Land Consolidation Program**

	<b>2004 Actual</b>	<b>2005 Enacted</b>	<b>2006 Request</b>	<b>Change from 2005 Enacted</b>
TOTAL APPROPRIATION .....	21,709	34,514	34,514	0

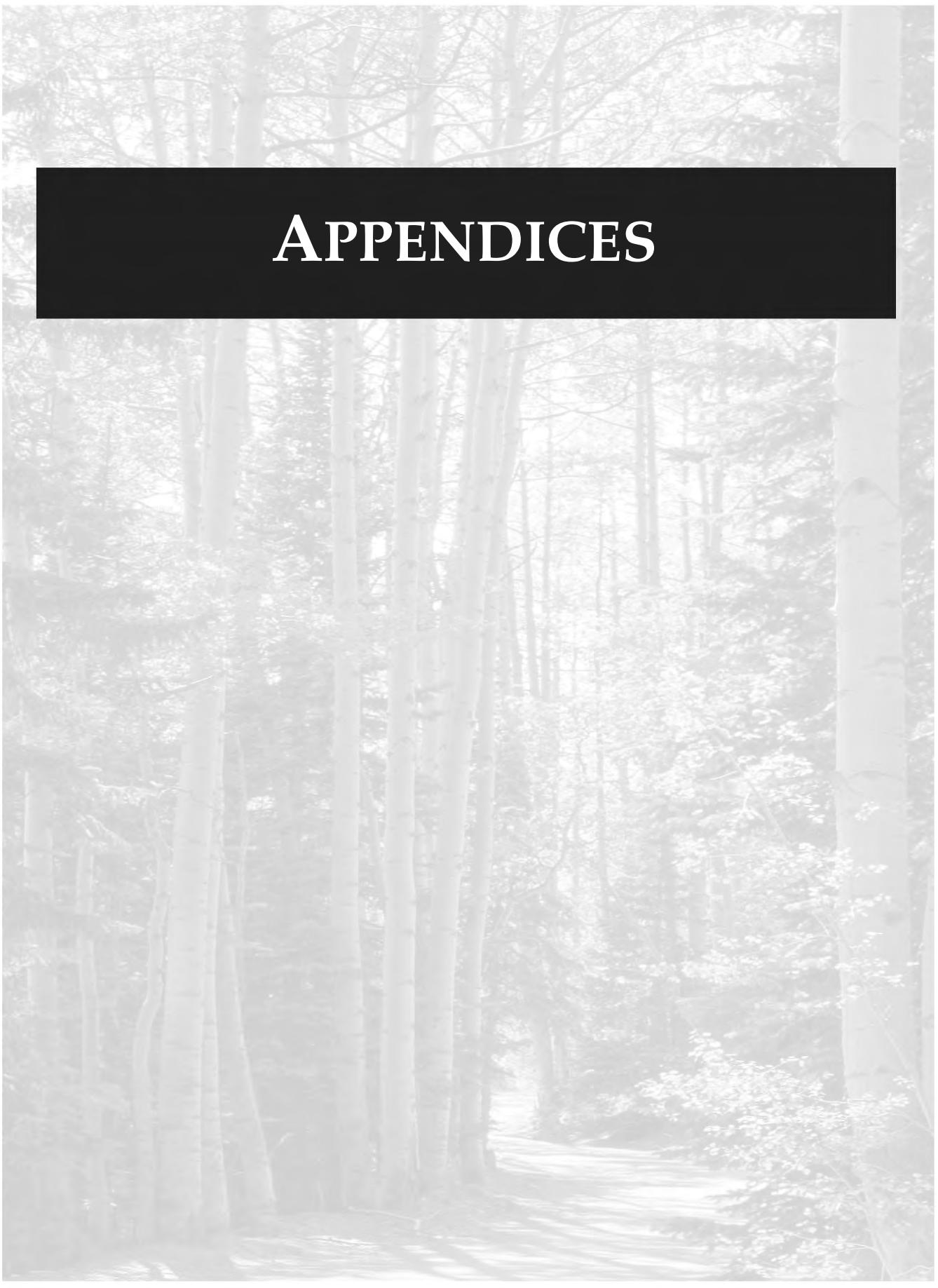
#### **APPROPRIATION: Natural Resource Damage Assessment and Restoration**

	<b>2004 Actual</b>	<b>2005 Enacted</b>	<b>2006 Request</b>	<b>Change from 2005 Enacted</b>
Damage Assessments .....	3,885	3,845	3,931	+86
Restoration Support.....	247	366	583	+217
Program Management.....	1,432	1,526	1,592	+66
TOTAL APPROPRIATION .....	5,564	5,737	6,106	+369

#### ***Highlights of Budget Changes***

	<u>Amount</u>
Fixed Costs	[+91]
Damage Assessments	+86
The program increase of \$44 is to maintain the current level of 49 Department-funded natural resource damage assessment cases. Fixed cost increases are fully funded at \$42.	
Restoration Support	+217
The program increase of \$217 establishes a science support capability for the Restoration program. Restoration science is the highest priority for accomplishing the restoration mission.	
Program Management	+66
The program increase of \$17 is to maintain the current level of program office and bureau work group personnel. Fixed cost increases are fully funded at \$49.	





# APPENDICES



## APPENDIX A

### COMPARISON OF 2004, 2005, AND 2006

### BUDGET AUTHORITY

(in thousands of dollars)

<u>Appropriation/ Bureau/Account</u>	<u>2004 Actual</u>	<u>2005 Enacted</u>	<u>2006 Request</u>	<u>Change from 2005</u>
<b>INTERIOR AND RELATED AGENCIES</b>				
<b>BUREAU OF LAND MANAGEMENT</b>				
<i>Current Appropriations</i>				
Management of Lands and Resources .....	865,744	848,939	850,177	+1,238
Rescissions/ reductions of new BA.....	-10,478	-12,113	0	+12,113
Account total.....	855,266	836,826	850,177	+13,351
<i>In 2004 this account includes \$15.423 million for Mining Law Administration not offset by collections.</i>				
Wildland Fire Management.....	792,725	743,099	756,564	+13,465
Title IV Wildland Fire Funds.....	0	+100,000	0	-100,000
Supplemental.....	+100,000	0	0	0
Rescissions/ reductions of new BA.....	-9,132	-11,804	0	+11,804
Net transfers (non fire).....	+7,900	0	0	0
Account total ( <i>without fire</i> ) .....	891,493	831,295	756,564	-74,731
Fire repayment .....	-134,416	0	0	0
Account total ( <i>with fire</i> ).....	757,077	831,295	756,564	-74,731
Construction and Access.....	13,976	11,500	6,476	-5,024
Rescissions/ reductions of new BA.....	-172	-160	0	+160
Account total ( <i>without fire</i> ) .....	13,804	11,340	6,476	-4,864
Fire repayment .....	+3,514	0	0	0
Account total ( <i>with fire</i> ).....	17,317	11,340	6,476	-4,864
Oregon and California Grant Lands .....	106,672	109,057	110,070	+1,013
Rescissions/ reductions of new BA.....	-1,314	-1,560	0	+1,560
Account total.....	105,358	107,497	110,070	+2,573
Land Acquisition.....	18,600	11,350	13,350	+2,000
Rescissions/ reductions of new BA.....	-229	-158	0	+158
Account total ( <i>without fire</i> ) .....	18,371	11,192	13,350	+2,158
Fire repayment .....	+3,432	0	0	0
Account total ( <i>with fire</i> ).....	21,803	11,192	13,350	+2,158
Central Hazardous Materials Fund.....	<i>Moved to Departmental Management in 2006.</i>			
Service Charges, Deposits, and Forfeitures.....	16,499	20,055	32,940	+12,885
Range Improvements .....	10,000	10,000	0	-10,000
Miscellaneous Trust Funds .....	16,426	12,405	12,405	0
Subtotal, current appropriations ( <i>without fire</i> ) .....	1,910,718	1,820,555	1,749,042	-71,513
Fire repayment .....	-127,471	0	0	0
Subtotal, current appropriations ( <i>with fire</i> ).....	1,783,247	1,820,555	1,749,042	-71,513

\* Notes explaining the scoring assumptions for this table are found beginning on page A-16.

## APPENDIX A

### COMPARISON OF 2004, 2005, AND 2006 BUDGET AUTHORITY (in thousands of dollars)

<u>Appropriation/ Bureau/Account</u>	<u>2004 Actual</u>	<u>2005 Enacted</u>	<u>2006 Request</u>	<u>Change from 2005</u>
<b>BLM (continued)</b>				
Budget authority .....	[1,824,143]	[1,846,350]	[1,749,042]	[-97,308]
Supplemental.....	[+100,000]	[0]	[0]	[0]
Rescissions / reductions of new BA.....	[-21,326]	[-25,795]	[0]	[+25,795]
Net transfers .....	[+7,900]	[0]	[0]	[0]
Fire repayment .....	[-127,471]	[0]	[0]	[0]
<i>Permanent Appropriations</i>				
Permanent Operating Funds.....	523,720	1,095,219	211,423	-883,796
Miscellaneous Permanent Payments.....	178,366	332,546	271,179	-61,367
Miscellaneous Trust Funds .....	2,150	1,595	1,595	0
Subtotal, permanent appropriations .....	704,236	1,429,360	484,197	-945,163
<b>Total, Bureau of Land Management (without fire).....</b>	<b>2,614,954</b>	<b>3,249,915</b>	<b>2,233,239</b>	<b>-1,016,676</b>
Fire repayment .....	-127,471	0	0	0
<b>Total, Bureau of Land Management (with fire).....</b>	<b>2,487,483</b>	<b>3,249,915</b>	<b>2,233,239</b>	<b>-1,016,676</b>
Budget authority .....	[2,528,379]	[3,275,710]	[2,233,239]	[-1,042,471]
Supplemental.....	[+100,000]	[0]	[0]	[0]
Rescissions / reductions of new BA.....	[-21,326]	[-25,795]	[0]	[+25,795]
Net transfers .....	[+7,900]	[0]	[0]	[0]
Fire repayment .....	[-127,471]	[0]	[0]	[0]
<b>MINERALS MANAGEMENT SERVICE</b>				
<i>Current Appropriations</i>				
Royalty and Offshore Minerals Management.....	165,316	169,175	160,416	-8,759
Rescissions / reductions of new BA.....	-2,037	-2,356	0	+2,356
Account total.....	163,279	166,820	160,416	-6,403
Oil Spill Research .....	7,105	7,105	7,006	-99
Rescissions / reductions of new BA.....	-88	-98	0	+99
Account total.....	7,017	7,006	7,006	0
Subtotal, current appropriations.....	170,296	173,826	167,422	-6,404
Budget authority .....	[172,421]	[176,280]	[167,422]	[-8,858]
Rescissions / reductions of new BA.....	[-2,125]	[-2,455]	[0]	[+2,455]
<i>Permanent Appropriations</i>				
Mineral Leasing and Associated Payments .....	1,164,049	1,817,302	1,788,141	-29,161
Leases of Lands Acquired for Flood Control, Navigation, and Allied Purposes .....	1,364	2,154	2,122	-32
National Forests Fund, Payment to States.....	3,976	7,910	7,804	-106
Subtotal, permanent appropriations .....	1,169,389	1,827,366	1,798,067	-29,299
<b>Total, Minerals Management Service.....</b>	<b>1,339,685</b>	<b>2,001,192</b>	<b>1,965,489</b>	<b>-35,703</b>
Budget authority .....	[1,341,810]	[2,003,646]	[1,965,489]	[-38,157]
Rescissions / reductions of new BA.....	[-2,125]	[-2,455]	[0]	[+2,455]

**COMPARISON OF 2004, 2005, AND 2006 BUDGET AUTHORITY**  
 (in thousands of dollars)

Appropriation/ Bureau/Account	2004 Actual	2005 Enacted	2006 Request	Change from 2005
<b>OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT</b>				
<i>Current Appropriations</i>				
Regulation and Technology .....	106,498	109,905	110,535	+630
Rescissions/reductions of new BA.....	-1,311	-1,537	0	+1,537
Account total.....	105,187	108,368	110,535	+2,167
Abandoned Mine Reclamation Fund .....	192,969	190,863	246,014	+55,151
Rescissions/reductions of new BA.....	-2,378	-2,658	0	+2,658
Account total.....	190,591	188,205	246,014	+57,809
Subtotal, current appropriations.....	295,778	296,573	356,549	+59,976
Budget authority .....	[299,467]	[300,768]	[356,549]	[+55,781]
Rescissions/reductions of new BA.....	[-3,689]	[-4,195]	[0]	[+4,195]
<i>Permanent Appropriations</i>				
Abandoned Mine Reclamation Fund .....	14,967	67,000	57,000	-10,000
Subtotal, permanent appropriations .....	14,967	67,000	57,000	-10,000
<b>Total, Office of Surface Mining</b> .....	<b>310,745</b>	<b>363,573</b>	<b>413,549</b>	<b>+49,976</b>
Budget authority .....	[314,434]	[367,768]	[413,549]	[+45,781]
Rescissions/reductions of new BA.....	[-3,689]	[-4,195]	[0]	[+4,195]
<b>U.S. GEOLOGICAL SURVEY</b>				
<i>Current Appropriations</i>				
Surveys, Investigations, and Research.....	949,686	948,921	933,515	-15,406
Rescissions/reductions of new BA.....	-11,702	-13,457	0	+13,457
Account total ( <i>without supplemental</i> ).....	937,984	935,464	933,515	-1,949
Disaster relief supplemental.....	0	+1,000	0	-1,000
Account total ( <i>with supplemental</i> ) .....	937,984	936,464	933,515	-2,949
Subtotal, current appropriations ( <i>without supplemental</i> ).....	937,984	935,464	933,515	-1,949
Disaster relief supplemental.....	0	+1,000	0	-1,000
Subtotal, current appropriations ( <i>with supplemental</i> ) ....	937,984	936,464	933,515	-2,949
Budget authority .....	[949,686]	[948,921]	[933,515]	[-15,406]
Supplemental.....	[0]	[+1,000]	[0]	[-1,000]
Rescissions/reductions of new BA.....	[-11,702]	[-13,457]	[0]	[+13,457]
<i>Permanent Appropriations</i>				
Operations and Maintenance of Quarters .....	66	55	51	-4
Contributed Funds.....	1,629	750	750	0
Subtotal, permanent appropriations .....	1,695	805	801	-4
<b>Total, U.S. Geological Survey (<i>without supplemental</i>)</b> .....	<b>939,679</b>	<b>936,269</b>	<b>934,316</b>	<b>-1,953</b>
Disaster relief supplemental.....	0	+1,000	0	-1,000
<b>Total, U.S. Geological Survey (<i>with supplemental</i>).....</b>	<b>939,679</b>	<b>937,269</b>	<b>934,316</b>	<b>-2,953</b>

## APPENDIX A

### COMPARISON OF 2004, 2005, AND 2006 BUDGET AUTHORITY (in thousands of dollars)

<b>Appropriation/ Bureau/Account</b>	<b>2004 Actual</b>	<b>2005 Enacted</b>	<b>2006 Request</b>	<b>Change from 2005</b>
<b>USGS (continued)</b>				
Budget authority .....	[951,381]	[949,726]	[934,316]	[-15,410]
Supplemental.....	[0]	[+1,000]	[0]	[-1,000]
Rescissions / reductions of new BA.....	[-11,702]	[-13,457]	[0]	[+13,457]
<b>FISH AND WILDLIFE SERVICE</b>				
<i>Current Appropriations</i>				
Resource Management .....	963,352	977,205	985,563	+8,358
Rescissions / reductions of new BA.....	-11,870	-14,265	0	+14,265
Net transfers ( <i>includes South Florida reprogramming from NPS Land Acquisition account</i> ).....	+20,496	0	0	0
Account total.....	971,978	962,940	985,563	+22,623
<i>Final transfer of funds for South Florida</i> .....		[+1,083]		
Construction .....	60,554	53,400	19,676	-33,724
Rescissions / reductions of new BA.....	-746	-742	0	+742
Account total ( <i>without fire and supplemental</i> ).....	59,808	52,658	19,676	-32,982
Disaster relief supplemental.....	0	+40,552	0	-40,552
Fire repayment .....	+11,930	0	0	0
Account total ( <i>with fire and supplemental</i> ) .....	71,738	93,210	19,676	-73,534
Land Acquisition.....	43,628	37,526	40,992	+3,466
Rescissions / reductions of new BA.....	-538	-521	0	+521
Net transfers .....	-4,968	0	0	0
Account total ( <i>without fire</i> ) .....	38,122	37,005	40,992	+3,987
Fire repayment .....	+11,358	0	0	0
Account total ( <i>with fire</i> ).....	49,480	37,005	40,992	+3,987
Landowner Incentive Program .....	30,000	22,000	40,000	+18,000
Rescissions / reductions of new BA.....	-370	-306	0	+306
Account total.....	29,630	21,694	40,000	+18,306
Private Stewardship Grants Program .....	7,500	7,000	10,000	+3,000
Rescissions / reductions of new BA.....	-92	-97	0	+97
Account total.....	7,408	6,903	10,000	+3,097
Multinational Species Conservation Fund .....	5,600	5,800	8,300	+2,500
Rescissions / reductions of new BA.....	-69	-81	0	+81
Account total.....	5,531	5,719	8,300	+2,581
North American Wetlands Conservation Fund .....	38,000	38,000	49,949	+11,949
Rescissions / reductions of new BA.....	-468	-528	0	+528
Account total.....	37,532	37,472	49,949	+12,477
Coop. Endangered Species Conservation Fund .....	82,614	81,596	80,000	-1,596
Rescissions / reductions of new BA.....	-1,018	-1,134	0	+1,134
Account total.....	81,596	80,462	80,000	-462
National Wildlife Refuge Fund .....	14,414	14,414	14,414	0
Rescissions / reductions of new BA.....	-178	-200	0	+200
Account total.....	14,236	14,214	14,414	+200

**COMPARISON OF 2004, 2005, AND 2006 BUDGET AUTHORITY**  
 (in thousands of dollars)

Appropriation/ Bureau/Account	2004 <u>Actual</u>	2005 <u>Enacted</u>	2006 <u>Request</u>	Change from 2005
<b>FWS (continued)</b>				
Neotropical Migratory Bird Conservation .....	4,000	4,000	0	-4,000
Rescissions/reductions of new BA.....	-49	-56	0	+56
Account total.....	3,951	3,944	0	-3,944
State and Tribal Wildlife Grants.....	70,000	70,000	74,000	+4,000
Rescissions/reductions of new BA.....	-863	-973	0	+973
Account total.....	69,138	69,028	74,000	+4,973
Subtotal, current appropriations ( <i>without fire and supplemental</i> ) .....	1,318,929	1,292,039	1,322,894	+30,853
Disaster relief supplemental .....	0	+40,552	0	-40,552
Fire repayment .....	+23,288	0	0	0
Subtotal, current appropriations ( <i>with fire and supplemental</i> ) ...	1,342,217	1,332,591	1,322,894	-9,697
Budget authority .....	[1,319,662]	[1,310,941]	[1,322,894]	[+11,953]
Supplemental.....	[0]	[+40,552]	[0]	[-40,552]
Rescissions/reductions of new BA.....	[-16,261]	[-18,902]	[0]	[+18,902]
Net transfers .....	[+15,528]	[0]	[0]	[0]
Fire repayment .....	[+23,288]	[0]	[0]	[0]
<b>Permanent Appropriations</b>				
Sport Fish Restoration .....	468,438	460,752	486,503	+25,751
Net transfers .....	-123,023	-122,055	-125,298	-3,243
Account total.....	345,415	338,697	361,205	+22,508
Migratory Bird Conservation Account .....	44,350	44,600	45,000	+400
North American Wetlands Conservation Fund.....	447	7,744	500	-7,244
National Wildlife Refuge Fund .....	6,632	6,400	6,500	+100
Miscellaneous Permanent Appropriations.....	3,484	2,760	2,760	0
Recreational Fee Demonstration Program .....	3,854	4,200	4,200	0
Federal Aid in Wildlife Restoration.....	222,889	249,648	249,558	-90
Contributed Funds.....	3,444	4,100	4,100	0
Coop. Endangered Species Conservation Fund .....	35,094	35,527	37,067	+1,540
Subtotal, permanent appropriations .....	665,609	693,676	710,890	+17,214
Budget authority .....	[788,632]	[815,731]	[836,188]	[+20,457]
Net transfers .....	[-123,023]	[-122,055]	[-125,298]	[-3,243]
<b>Total, Fish &amp; Wildlife Service (<i>without fire and supplemental</i>) ..</b>	<b>1,984,538</b>	<b>1,985,715</b>	<b>2,033,784</b>	<b>+48,067</b>
Disaster relief supplemental.....	0	+40,552	0	-40,552
Fire repayment .....	+23,288	0	0	0
<b>Total, Fish &amp; Wildlife Service (<i>with fire and supplemental</i>)....</b>	<b>2,007,826</b>	<b>2,026,267</b>	<b>2,033,784</b>	<b>+7,517</b>
Budget authority .....	[2,108,294]	[2,126,672]	[2,159,082]	[+32,410]
Supplemental.....	[0]	[+40,552]	[0]	[-40,552]
Rescissions/reductions of new BA.....	[-16,261]	[-18,902]	[0]	[+18,902]
Net transfers .....	[-107,495]	[-122,055]	[-125,298]	[-3,243]
Fire repayment .....	[+23,288]	[0]	[0]	[0]

## APPENDIX A

### COMPARISON OF 2004, 2005, AND 2006 BUDGET AUTHORITY (in thousands of dollars)

<u>Appropriation/ Bureau/Account</u>	<u>2004 Actual</u>	<u>2005 Enacted</u>	<u>2006 Request</u>	<u>Change from 2005</u>
<b>NATIONAL PARK SERVICE</b>				
<i>Current Appropriations</i>				
Operation of the National Park System .....	1,629,641	1,707,282	1,734,053	+26,771
Rescissions / reductions of new BA.....	-20,080	-23,718	0	+23,718
Net transfers .....	+10,067	0	0	0
Account total.....	1,619,628	1,683,564	1,734,053	+50,489
<i>Final transfer of funds for South Florida.....</i>		[+702]		
United State Park Police.....	78,859	81,204	80,411	-793
Rescissions / reductions of new BA.....	-972	-1,128	0	+1,128
Account total.....	77,887	80,076	80,411	+335
National Recreation and Preservation .....	62,544	61,832	36,777	-25,055
Rescissions / reductions of new BA.....	-771	-859	0	+859
Net transfers .....	-1,580	0	0	0
Account total.....	60,193	60,973	36,777	-24,196
Construction .....	333,995	307,362	307,362	0
Supplemental.....	+22,500	0	0	0
Rescissions / reductions of new BA.....	-4,115	-5,182	0	+5,182
Net transfers .....	+4,500	0	+17,000	+17,000
Account total ( <i>without fire and supplemental</i> ).....	356,880	302,180	324,362	+22,182
Disaster relief supplemental.....	0	+50,802	0	-50,802
Fire repayment .....	+52,296	0	0	0
Account total ( <i>with fire and supplemental</i> ) .....	409,175	352,982	324,362	-28,620
Transfer from Defense enacted for Ft. Baker <i>(add 2004, non-add 2005)</i> .....	[+2,500]	[+1,900]		
Rescission of contract authority (LWCF) .....	-30,000	-30,000	-30,000	0
Urban Park and Recreation Fund .....	305	0	0	0
Rescissions / reductions of new BA.....	-4	0	0	0
Account total.....	301	0	0	0
Land Acquisition and State Assistance .....	142,350	148,411	54,467	-93,944
Rescissions / reductions of new BA.....	-1,754	-2,062	0	+2,062
Net transfers .....	-32,215	0	-17,000	-17,000
Account total ( <i>without fire</i> ) .....	108,381	146,349	37,467	-108,882
Fire repayment .....	+16,424	0	0	0
Account total ( <i>with fire</i> ) .....	124,805	146,349	37,467	-108,882
<i>Final transfer of funds for South Florida to FWS RM and NPS ONPS.....</i>		[-1,785]		
Historic Preservation Fund.....	74,500	72,750	66,205	-6,545
Rescissions / reductions of new BA.....	-918	-1,011	0	+1,011
Account total.....	73,582	71,739	66,205	-5,534
Subtotal, current appropriations ( <i>without fire and supplemental</i> )	2,266,852	2,314,881	2,249,275	-65,606
Disaster relief supplemental.....	0	+50,802	0	-50,802
Fire repayment .....	+68,720	0	0	0
Subtotal, current appropriations ( <i>with fire and supplemental</i> )...	2,335,572	2,365,683	2,249,275	-116,408

**COMPARISON OF 2004, 2005, AND 2006 BUDGET AUTHORITY**  
 (in thousands of dollars)

Appropriation/ Bureau/Account	2004 Actual	2005 Enacted	2006 Request	Change from 2005
<b>NPS (continued)</b>				
Budget authority .....	[2,322,194]	[2,378,841]	[2,279,275]	[-99,566]
Supplemental.....	[+22,500]	[+50,802]	[0]	[-50,802]
Rescissions / reductions of new BA.....	[-28,614]	[-33,960]	[0]	[+33,960]
Net transfers, other .....	[-19,228]	[0]	[0]	[0]
Fire repayment .....	[+68,720]	[0]	[0]	[0]
Rescission of contract authority.....	[-30,000]	[-30,000]	[-30,000]	[0]
<i>Permanent Appropriations</i>				
Recreational Fee Permanent Appropriations.....	157,859	158,299	159,994	+1,695
Other Permanent Appropriations.....	86,186	95,746	102,913	+7,167
Miscellaneous Trust Funds .....	19,418	15,008	15,008	0
Land and Water Conservation Fund				
Contract Authority .....	30,000	30,000	30,000	0
Subtotal, permanent appropriations .....	293,463	299,053	307,915	+8,862
<b>Total, National Park Service (without fire) .....</b>	<b>2,560,315</b>	<b>2,613,934</b>	<b>2,557,190</b>	<b>-56,744</b>
Fire repayment .....	+68,720	0	0	0
<b>Total, National Park Service (with fire) .....</b>	<b>2,629,035</b>	<b>2,664,736</b>	<b>2,557,190</b>	<b>-107,546</b>
Budget authority .....	[2,615,657]	[2,677,894]	[2,587,190]	[-90,704]
Supplemental.....	[+22,500]	[+50,802]	[0]	[-50,802]
Rescissions / reductions of new BA.....	[-28,614]	[-33,960]	[0]	[+33,960]
Net transfers, other .....	[-19,228]	[0]	[0]	[0]
Fire repayment .....	[+68,720]	[0]	[0]	[0]
Rescission of contract authority.....	[-30,000]	[-30,000]	[-30,000]	[0]
<b>BUREAU OF INDIAN AFFAIRS</b>				
<i>Current Appropriations</i>				
Operation of Indian Programs .....	1,916,317	1,955,047	1,924,230	-30,817
Rescissions / reductions of new BA.....	-23,613	-27,766	0	+27,766
Net transfers .....	+587	-1,190	0	+1,190
Account total.....	1,893,291	1,926,091	1,924,230	-1,861
Construction .....	351,154	323,626	232,137	-91,489
Rescissions / reductions of new BA.....	-4,327	-4,497	0	+4,497
Account total (without fire) .....	346,827	319,129	232,137	-86,992
Fire repayment .....	+35,463	0	0	0
Account total (with fire).....	382,290	319,129	232,137	-86,992
Indian Land and Water Claims and Settlements and Miscellaneous Payments to Indians .....	55,583	44,771	24,754	-20,017
Rescissions / reductions of new BA.....	-685	-621	0	+621
Net transfers .....	+4,968	0	0	0
Account total.....	59,866	44,150	24,754	-19,396
Indian Guaranteed Loan Program Account.....	6,497	6,421	6,348	-73
Rescissions / reductions of new BA.....	-80	-89	0	+89
Account total.....	6,417	6,332	6,348	+16

## APPENDIX A

### COMPARISON OF 2004, 2005, AND 2006 BUDGET AUTHORITY (in thousands of dollars)

<u>Appropriation/ Bureau/Account</u>	<u>2004 Actual</u>	<u>2005 Enacted</u>	<u>2006 Request</u>	<u>Change from 2005</u>
<b>BIA (continued)</b>				
Subtotal, current appropriations ( <i>without fire</i> ) .....	2,306,401	2,295,702	2,187,469	-108,233
Fire repayment .....	+35,463	0	0	0
Subtotal, current appropriations ( <i>with fire</i> ).....	2,341,865	2,295,702	2,187,469	-108,233
Budget authority .....	[2,329,551]	[2,329,865]	[2,187,469]	[-142,396]
Rescissions / reductions of new BA.....	[-28,705]	[-32,973]	[0]	[+32,973]
Net transfers .....	[+5,555]	[-1,190]	[0]	[+1,190]
Fire repayment .....	[+35,463]	[0]	[0]	[0]
<b>Permanent Appropriations</b>				
Operation and Maintenance of Quarters.....	4,219	4,950	5,000	+50
Miscellaneous Permanent Appropriations.....	81,831	83,464	84,330	+866
White Earth Settlement Fund.....	1,885	3,000	3,000	0
Indian Loan Guaranty and Insurance Fund, Liquidating Account .....	0	0	1,000	+1,000
Indian Direct Loan Program Account.....	151	652	0	-652
Indian Guaranteed Loan Program Account.....	1,164	2,979	0	-2,979
Revolving Fund for Loans, Liquidating Account.....	0	-4,000	-4,000	0
Subtotal, permanent appropriations .....	89,250	91,045	89,330	-1,715
<b>Total, Bureau of Indian Affairs (<i>without fire</i>).....</b>	<b>2,395,651</b>	<b>2,386,747</b>	<b>2,276,799</b>	<b>-109,948</b>
Fire repayment .....	+35,463	0	0	0
<b>Total, Bureau of Indian Affairs (<i>with fire</i>) .....</b>	<b>2,431,115</b>	<b>2,386,747</b>	<b>2,276,799</b>	<b>-109,948</b>
Budget authority .....	[2,418,801]	[2,420,910]	[2,276,799]	[-144,111]
Rescissions / reductions of new BA.....	[-28,705]	[-32,973]	[0]	[+32,973]
Net transfers .....	[+5,555]	[-1,190]	[0]	[+1,190]
Fire repayment .....	[+35,463]	[0]	[0]	[0]
<b>DEPARTMENTAL OFFICES</b>				
<b>DEPARTMENTAL MANAGEMENT</b>				
<b>Current Appropriations</b>				
Salaries and Expenses.....	84,033	82,355	120,155	+37,800
Rescissions / reductions of new BA.....	-1,035	-1,224	0	+1,224
Net transfers .....	-200	+14,690	0	-14,690
Account total.....	82,798	95,821	120,155	+24,334
Payments in Lieu of Taxes .....	227,500	230,000	200,000	-30,000
Rescissions / reductions of new BA.....	-2,803	-3,195	0	+3,195
Account total.....	224,697	226,805	200,000	-26,805
Central Hazardous Materials Fund.....	9,978	9,855	9,855	0
Rescissions / reductions of new BA.....	-123	0	0	0
Net transfers .....	0	-13,500	0	+13,500
Account total.....	9,855	-3,645	9,855	+13,500

**COMPARISON OF 2004, 2005, AND 2006 BUDGET AUTHORITY**  
 (in thousands of dollars)

Appropriation/ Bureau/Account	2004 Actual	2005 Enacted	2006 Request	Change from 2005
<b>DM (continued)</b>				
Working Capital Fund .....	11,700	0	0	0
Rescissions/reductions of new BA.....	-20,000	0	0	0
Rescissions of prior year balances .....	-144	0	0	0
Account total.....	-8,444	0	0	0
Special Foreign Currency .....	0	0	0	0
Rescissions of prior year balances .....	-1,449	0	0	0
Account total.....	-1,449	0	0	0
Oil Spill Contingency Fund .....	0	0	0	0
Net transfers .....	-5	0	0	0
Acccount total.....	-5	0	0	0
Subtotal, current appropriations.....	307,452	318,981	330,010	+11,029
<i>Permanent Appropriations</i>				
Indian Arts and Crafts Board .....	[37]	51	52	+1
Subtotal, permanent appropriations .....	[37]	51	52	+1
<b>Total, Departmental Management.....</b>	<b>307,452</b>	<b>319,032</b>	<b>330,062</b>	<b>+11,030</b>
Budget authority .....	[333,211]	[322,261]	[330,062]	[+7,801]
Rescissions/reductions of new BA.....	[-23,961]	[-4,419]	[0]	[+4,419]
Rescissions of prior year balances .....	[-1,593]	[0]	[0]	[0]
Net transfers .....	[-205]	[+1,190]	[0]	[-1,190]
<b>INSULAR AFFAIRS</b>				
<i>Current Appropriations</i>				
Assistance to Territories .....	76,343	76,255	74,263	-1,992
Rescissions/reductions of new BA.....	-599	-674	0	+674
Account total.....	75,744	75,581	74,263	-1,318
Compact of Free Association .....	6,434	5,499	4,862	-637
Rescissions/reductions of new BA.....	-55	-49	0	+49
Account total.....	6,379	5,450	4,862	-588
Subtotal, current appropriations.....	82,123	81,031	79,125	-1,906
Budget authority .....	[82,777]	[81,754]	[79,125]	[-2,629]
Rescissions/reductions of new BA.....	[-654]	[-723]	[0]	[+723]
<i>Permanent Appropriations</i>				
Compact of Free Association.....	194,071	196,021	198,276	+2,255
Payments to the U.S. Territories, Fiscal Assistance .....	114,927	115,000	115,000	0
Subtotal, permanent appropriations .....	308,998	311,021	313,276	+2,255
<b>Total, Insular Affairs .....</b>	<b>391,121</b>	<b>392,052</b>	<b>392,401</b>	<b>+349</b>

## APPENDIX A

### COMPARISON OF 2004, 2005, AND 2006 BUDGET AUTHORITY (in thousands of dollars)

<u>Appropriation/ Bureau/Account</u>	<u>2004 Actual</u>	<u>2005 Enacted</u>	<u>2006 Request</u>	<u>Change from 2005</u>
<b>OIA (continued)</b>				
Budget authority .....	[391,775]	[392,775]	[392,401]	[-374]
Rescissions / reductions of new BA.....	[-654]	[-723]	[0]	[+723]
<b>OFFICE OF THE SOLICITOR</b>				
<i>Current Appropriations</i>				
Office of the Solicitor .....	50,374	52,384	55,752	+3,368
Rescissions / reductions of new BA.....	-621	-728	0	+728
Account total.....	49,753	51,656	55,752	+4,096
Subtotal, current appropriations.....	49,753	51,656	55,752	+4,096
<b>Total, Office of the Solicitor</b> .....	<b>49,753</b>	<b>51,656</b>	<b>55,752</b>	<b>+4,096</b>
Budget authority .....	[50,374]	[52,384]	[55,752]	[+3,368]
Rescissions / reductions of new BA.....	[-621]	[-728]	[0]	[+728]
<b>OFFICE OF INSPECTOR GENERAL</b>				
<i>Current Appropriations</i>				
Office of Inspector General .....	38,749	37,800	40,999	+3,199
Rescissions / reductions of new BA.....	-478	-525	0	+525
Account total.....	38,272	37,275	40,999	+3,724
Subtotal, current appropriations.....	38,272	37,275	40,999	+3,724
<b>Total, Office of Inspector General</b> .....	<b>38,272</b>	<b>37,275</b>	<b>40,999</b>	<b>+3,724</b>
Budget authority .....	[38,749]	[37,800]	[40,999]	[+3,199]
Rescissions / reductions of new BA.....	[-478]	[-525]	[0]	[+525]
<b>OFFICE OF THE SPECIAL TRUSTEE FOR AMERICAN INDIANS</b>				
<i>Current Appropriations</i>				
Federal Trust Programs .....	189,641	196,267	269,397	+73,130
Rescissions / reductions of new BA.....	-2,337	-2,727	0	+2,727
Account total.....	187,304	193,540	269,397	+75,857
Indian Land Consolidation.....	21,980	35,000	34,514	-486
Rescissions / reductions of new BA.....	-271	-486	0	+486
Account total.....	21,709	34,514	34,514	0
Subtotal, current appropriations.....	209,013	228,054	303,911	+75,857
Budget authority .....	[211,621]	[231,267]	[303,911]	[+72,644]
Rescissions / reductions of new BA.....	[-2,608]	[-3,213]	[0]	[+3,213]
<i>Permanent Appropriations</i>				
Payment for Trust Accounting Deficiencies .....	0	6,000	0	-6,000
Tribal Special Funds.....	214,692	220,514	233,745	+13,231

**COMPARISON OF 2004, 2005, AND 2006 BUDGET AUTHORITY**  
 (in thousands of dollars)

Appropriation/ Bureau/Account	2004 Actual	2005 Enacted	2006 Request	Change from 2005
<b>OST (continued)</b>				
Tribal Trust Fund .....	63,272	72,554	76,907	+4,353
Subtotal, permanent appropriations .....	277,964	299,068	310,652	+11,584
<b>Total, Office of the Special Trustee for Am. Indians</b>	<b>486,977</b>	<b>527,122</b>	<b>614,563</b>	<b>+87,441</b>
Budget authority .....	[489,585]	[530,335]	[614,563]	[+84,228]
Rescissions / reductions of new BA.....	[-2,608]	[-3,213]	[0]	[+3,213]
<b>NATURAL RESOURCE DAMAGE ASSESSMENT AND RESTORATION</b>				
<i>Current Appropriations</i>				
Natural Resource Damage Assessment Fund.....	5,633	5,818	6,106	+288
Rescissions / reductions of new BA.....	-69	-81	0	+81
Subtotal, current appropriations.....	5,564	5,737	6,106	+369
Subtotal, current appropriations.....	5,564	5,737	6,106	+369
Budget authority .....	[5,633]	[5,818]	[6,106]	[+288]
Rescissions / reductions of new BA.....	[-69]	[-81]	[0]	[+81]
<i>Permanent Appropriations</i>				
Natural Resource Damage Assessment and Restoration Fund.....	36,860	32,000	32,000	0
Net transfers .....	-1,334	-1,350	-1,350	0
Account total.....	35,526	30,650	30,650	0
Subtotal, permanent appropriations .....	35,526	30,650	30,650	0
<b>Total, Natural Resource Damage Assessment and Restoration .....</b>	<b>41,090</b>	<b>36,387</b>	<b>36,756</b>	<b>+369</b>
Budget authority .....	[42,493]	[37,818]	[38,106]	[+288]
Rescissions / reductions of new BA.....	[-69]	[-81]	[0]	[+81]
Net transfers .....	[-1,334]	[-1,350]	[-1,350]	[0]
<b>DEPARTMENTAL OFFICES SUMMARY</b>				
Subtotal, current appropriations.....	692,177	722,734	815,903	+93,169
Budget authority .....	[722,365]	[731,233]	[815,903]	[+84,670]
Rescissions / reductions of new BA.....	[-28,390]	[-9,688]	[0]	[+9,688]
Rescissions of prior year balances .....	[-1,593]	[0]	[0]	[0]
Net transfers .....	[-205]	[+1,190]	[0]	[-1,190]
Subtotal, permanent appropriations .....	622,488	640,790	654,630	+13,840
Budget authority .....	[623,822]	[642,140]	[655,980]	[+13,840]
Net transfers .....	[-1,334]	[-1,350]	[-1,350]	[0]

## APPENDIX A

### COMPARISON OF 2004, 2005, AND 2006 BUDGET AUTHORITY (in thousands of dollars)

<u>Appropriation/ Bureau/Account</u>	<u>2004 Actual</u>	<u>2005 Enacted</u>	<u>2006 Request</u>	<u>Change from 2005</u>
<b>Departmental Offices Summary (continued)</b>				
<b>Total, Departmental Offices</b> .....	<b>1,314,665</b>	<b>1,363,524</b>	<b>1,470,533</b>	<b>+107,009</b>
Budget authority .....	[1,346,187]	[1,373,373]	[1,471,883]	[+98,510]
Rescissions / reductions of new BA.....	[-28,390]	[-9,688]	[0]	[+9,688]
Rescissions of prior year balances .....	[-1,593]	[0]	[0]	[0]
Net transfers .....	[-1,539]	[-160]	[-1,350]	[-1,190]

### NATIONAL INDIAN GAMING COMMISSION

#### *Permanent Appropriations*

National Indian Gaming Commission,				
Gaming Activity Fees.....	7,891	11,000	12,000	+1,000
Subtotal, permanent appropriations .....	7,891	11,000	12,000	+1,000
<b>Total, National Indian Gaming Commission</b> .....	<b>7,891</b>	<b>11,000</b>	<b>12,000</b>	<b>+1,000</b>
Budget authority .....	[7,891]	[11,000]	[12,000]	+1,000

### INTERIOR AND RELATED AGENCIES SUMMARY

<b>Total, Interior &amp; Related Agencies</b> ( <i>without fire and supplemental</i> )	<b>13,468,123</b>	<b>14,911,869</b>	<b>13,896,899</b>	<b>-1,014,972</b>
Disaster relief supplemental.....	0	+92,354	0	-92,354
<b>Total, Interior &amp; Related Agencies</b> ( <i>with fire and supplemental</i> ) ..	<b>13,468,123</b>	<b>15,004,223</b>	<b>13,896,899</b>	<b>-1,107,326</b>
Grand total, current authority, regular approp.....	[9,939,489]	[10,023,199]	[9,812,069]	[-211,130]
Supplemental (*2005 supplemental is non-add) .....	[+122,500]	* [+92,354]	[0]	* [-92,354]
Rescissions / reductions of new BA.....	[-140,811]	[-141,425]	[0]	[+141,425]
Rescission of prior-year BA .....	[-1,593]	[0]	[0]	[0]
Net transfers, other .....	[+9,550]	[0]	[0]	[0]
Rescission of contract authority .....	[-30,000]	[-30,000]	[-30,000]	[0]
<b>Net, current authority</b> .....	<b>[9,899,135]</b>	<b>[9,851,774]</b>	<b>[9,782,069]</b>	<b>[-69,705]</b>
Grand total, permanent authority .....	[3,693,345]	[5,183,500]	[4,241,478]	[-942,022]
Net transfers .....	[-124,357]	[-123,405]	[-126,648]	[-3,243]
<b>Net, permanent authority</b> .....	<b>[3,568,988]</b>	<b>[5,060,095]</b>	<b>[4,114,830]</b>	<b>[-945,265]</b>

**COMPARISON OF 2004, 2005, AND 2006 BUDGET AUTHORITY**  
 (in thousands of dollars)

Appropriation/ Bureau/Account	2004 Actual	2005 Enacted	2006 Request	Change from 2005
<b>ENERGY AND WATER DEVELOPMENT</b>				
<b>BUREAU OF RECLAMATION</b>				
<i>Current Appropriations</i>				
Water and Related Resources .....	857,498	859,481	801,569	-57,912
Rescissions / reductions of new BA.....	-5,059	-6,876	0	+6,876
Account total ( <i>without supplemental</i> ).....	852,439	852,605	801,569	-51,036
Disaster relief supplemental.....	0	+5,000	0	-5,000
Account total ( <i>with supplemental</i> ) .....	852,439	857,605	801,569	-56,036
Policy and Administration.....	55,525	58,153	57,917	-236
Rescissions / reductions of new BA.....	-328	-465	0	+465
Account total.....	55,197	57,688	57,917	+229
Working Capital Fund.....	0	0	0	0
Rescissions of prior-year BA.....	-4,525	0	0	0
Account total.....	-4,525	0	0	0
Loan Program .....	200	0	0	0
Rescissions / reductions of new BA.....	-1	0	0	0
Account total.....	199	0	0	0
California Bay-Delta Restoration .....	0	0	35,000	+35,000
Central Valley Project Restoration Fund.....	39,600	54,695	52,219	-2,476
Rescissions / reductions of new BA.....	-52	-67	0	+67
Account total.....	39,548	54,628	52,219	-2,409
Subtotal, current appropriations ( <i>without supplemental</i> ).....	942,858	964,921	946,705	-18,216
Disaster relief supplemental.....	0	+5,000	0	-5,000
Subtotal, current appropriations ( <i>with supplemental</i> ) ....	942,858	969,921	946,705	-23,216
Budget authority .....	[952,823]	[972,329]	[946,705]	[-25,624]
Supplemental .....	[0]	[+5,000]	[0]	[-5,000]
Rescissions / reductions of new BA.....	[-5,440]	[-7,408]	[0]	[+7,408]
Rescissions of balances.....	[-4,525]	[0]	[0]	[0]
<i>Permanent Appropriations</i>				
Colorado River Dam Fund, Boulder Canyon Project .	67,771	82,715	80,974	-1,741
Miscellaneous Permanent .....	215	280	280	0
Dutch John Fund .....	0	0	0	0
Loan Program Subsidy Reestimate .....	0	20,667	0	-20,667
Loan Program Liquidating Account .....	0	-2,546	-2,580	-34
San Gabriel Basin Restoration Fund.....	161	145	0	-145
Reclamation Trust Funds .....	5,542	1,300	1,300	0
Subtotal, permanent appropriations .....	73,689	102,561	79,974	-22,587
<b>Total, Bureau of Reclamation (<i>without supplemental</i>)....</b>	<b>1,016,547</b>	<b>1,067,482</b>	<b>1,026,679</b>	<b>-40,803</b>
Disaster relief supplemental.....	0	+5,000	0	-5,000
<b>Total, Bureau of Reclamation (<i>with supplemental</i>) .....</b>	<b>1,016,547</b>	<b>1,072,482</b>	<b>1,026,679</b>	<b>-45,803</b>

## APPENDIX A

### COMPARISON OF 2004, 2005, AND 2006 BUDGET AUTHORITY (in thousands of dollars)

<b>Appropriation/ Bureau/Account</b>	<b>2004 Actual</b>	<b>2005 Enacted</b>	<b>2006 Request</b>	<b>Change from 2005</b>
<b>RECLAMATION (continued)</b>				
Budget authority .....	[1,026,512]	[1,074,890]	[1,026,679]	[-48,211]
Supplemental.....	[0]	[+5,000]	[0]	[-5,000]
Rescissions/reductions of new BA.....	[-5,440]	[-7,408]	[0]	[+7,408]
Rescissions of prior-year BA.....	[-4,525]	[0]	[0]	[0]
<b>CENTRAL UTAH PROJECT</b>				
<i>Current Appropriations</i>				
Central Utah Project Completion Account.....	38,191	48,009	34,350	-13,659
Rescissions/reductions of new BA.....	-225	-384	0	+384
Net transfers .....	-9,367	-15,345	-946	+14,399
Account total.....	28,599	32,280	33,404	+1,124
Utah Reclamation Mitigation and Conservation Account.....	0	0	0	0
Net transfers .....	+9,367	+15,345	+946	-14,399
Account total.....	9,367	15,345	946	-14,399
Subtotal, current appropriations.....	37,966	47,625	34,350	-13,275
Budget authority .....	[38,191]	[48,009]	[34,350]	[-13,659]
Rescissions/reductions of new BA.....	[-225]	[-384]	[0]	[+384]
<i>Permanent Appropriations</i>				
Utah Reclamation Mitigation and Conservation Account.....	3,482	0	0	0
Subtotal, permanent appropriations .....	3,482	0	0	0
<b>Total, Central Utah Project</b> .....	<b>41,448</b>	<b>47,625</b>	<b>34,350</b>	<b>-13,275</b>
Budget Authority .....	[41,673]	[48,009]	[34,350]	[-13,659]
Rescissions/reductions of new BA.....	[-226]	[-384]	[0]	[+384]
Net transfers .....	[0]	[0]	[0]	[0]
<b>EENRGY AND WATER DEVELOPMENT SUMMARY</b>				
<b>Total, Energy &amp; Water Development (without supplemental)</b> .....	<b>1,057,994</b>	<b>1,115,107</b>	<b>1,061,029</b>	<b>-54,078</b>
Disaster relief supplemental .....	0	+5,000	0	-5,000
<b>Total, Energy &amp; Water Development (with supplemental)...</b>	<b>1,057,994</b>	<b>1,120,107</b>	<b>1,061,029</b>	<b>-59,078</b>
Grand total, current authority .....	[991,014]	[1,020,338]	[981,055]	[-39,283]
Supplemental (*2005 supplemental is non-add).....	[0]	* [+5,000]	[0]	* [-5,000]
Rescissions/reductions of new BA.....	[-5,666]	[-7,792]	[0]	[+7,792]
Net transfers .....	[0]	[0]	[0]	[0]
Budget amendment .....	[0]	[0]	[0]	[0]
Rescissions of prior-year BA.....	[-4,525]	[0]	[0]	[0]
Net, current authority.....	[980,823]	[1,012,546]	[981,055]	[-31,491]
Grand total, permanent authority .....	[77,171]	[102,561]	[79,974]	[-22,587]

**COMPARISON OF 2004, 2005, AND 2006 BUDGET AUTHORITY**  
 (in thousands of dollars)

<u>Appropriation/ Bureau/Account</u>	<u>2004 Actual</u>	<u>2005 Enacted</u>	<u>2006 Request</u>	<u>Change from 2005</u>
<b>DEPARTMENT OF THE INTERIOR SUMMARY</b>				
<b>Total, Department of the Interior (without fire &amp; supplemental) ...</b>	<b>14,526,118</b>	<b>16,026,976</b>	<b>14,957,928</b>	<b>-1,069,050</b>
Disaster relief supplemental.....	0	+97,354	0	-97,354
<b>Total, Department of the Interior (with fire &amp; supplemental)...</b>	<b>14,526,118</b>	<b>16,124,330</b>	<b>14,957,928</b>	<b>-1,166,404</b>
Grand total, current authority .....	[10,930,503]	[11,043,537]	[10,793,124]	[-250,413]
Supplemental (*2005 disaster supplemental is non-add).....	[+122,500]	* [+97,354]	[0]	* [-97,354]
Rescissions/ reductions of new BA.....	[-146,477]	[-149,217]	[0]	[+149,217]
Rescission of prior-year BA .....	[-6,118]	[0]	[0]	[0]
Net transfers .....	[+9,550]	[0]	[0]	[0]
Rescission of contract authority .....	[-30,000]	[-30,000]	[-30,000]	[0]
<b>Net, current authority .....</b>	<b>[10,879,958]</b>	<b>[10,864,320]</b>	<b>[10,763,124]</b>	<b>[-101,196]</b>
Grand total, permanent authority .....	[3,770,516]	[5,286,061]	[4,321,452]	[-964,609]
Net transfers .....	[-124,357]	[-123,405]	[-126,648]	[-3,243]
<b>Net, permanent authority .....</b>	<b>[3,646,159]</b>	<b>[5,162,656]</b>	<b>[4,194,804]</b>	<b>[-967,852]</b>

**COMPARISON OF 2004, 2005, AND 2006 BUDGET AUTHORITY****EXPLANATORY NOTES**

The budget estimates in the "Budget in Brief" differ from the presentation in the President's budget somewhat. This difference shows up in the totals set out in OMB's and Interior's tables. The President's budget presentation uses a system of budget scoring required by the Budget Enforcement Act that is based on "net discretionary budget authority". This document almost exclusively uses a system of scoring based on "current authority", which portrays the amounts that Congress appropriates each year to carry out the Department's programs. The differences are slight relative to the size of the budget, about \$116 million overall for 2006. The different scoring can be seen in the budgets of BLM, OIA, and Reclamation. Both BLM and OIA have current accounts or portions of accounts that are classified as mandatory. Additionally, receipts offset some account totals. The BLM's Service Charges, Deposits and Forfeitures and Reclamation's Central Valley Project include a discretionary offset (receipt) that nets into its discretionary bottom line. The budget proposes to eliminate BLM's \$10.0 million current mandatory Range Improvements Fund in 2006. The budget also proposes a new \$30.0 million offset to Reclamation's Water and Related Resources. For all other bureaus and offices the totals under either system should be identical. A current-to-discretionary "bridge" is as follows:

	<u>2004</u>	<u>2005</u>	<u>2006</u>
<b>Total Current Authority</b>	<b>10,879,958</b>	<b>10,864,320</b>	<b>10,763,124</b>
Adjustments for Mandatory Current Accounts			
BLM Range Improvements	-10,000	-10,000	0
BLM Miscellaneous Trusts	-16,426	-12,405	-12,405
Insular Affairs, Assistance to Territories	-27,720	-27,720	-27,720
Insular Affairs, Compact Assistance	-2,000	-2,000	-2,000
Adjustments for Discretionary Offsets			
Central Valley Restoration Receipts	-30,774	-46,369	-43,918
Reclamation Water & Related Collections	0	0	-30,000
CUPCA Net Receipts	+2,681	0	0
<b>Total Net Discretionary</b>	<b>10,795,719</b>	<b>10,765,826</b>	<b>10,647,081</b>

The OMB presents the President's budget to the Congress in "millions of dollars". The presentation in the "Budget in Brief" is based on amounts in "thousands of dollars", the level at which Congress appropriates. When several amounts that have been rounded to million of dollars are added or subtracted, small differences in the sum of these rounded numbers may be created as compared to the sum of the same numbers unrounded. This rounding effect may result in slight differences between the totals in the President's budget and totals in this document. This effect also appears in those amounts that have been reduced by across-the-board reductions mandated by the appropriations acts since these reductions are made at the whole dollar level while most tables herein are in thousands of dollars.

In addition to the discretionary / current difference and the rounding effect, there are some underlying "scoring" assumptions of which users of this appendix should be aware to understand fully the numbers presented. These assumptions are described in the following.

**2004 Actuals**

- The Interior and Related Agencies Appropriations Act, 2004, P.L. 108-108, was signed November 11, 2003. This bill included an across-the-board reduction of 0.646 percent as well as a rescissions of prior year unobligated balances in the Department's Working Capital Fund and Special Foreign Currency accounts. The rescissions are displayed as a single total number by account.

## EXPLANATORY NOTES (CONTINUED)

- The 2004 Energy and Water Appropriations Act, P.L. 108-137, was signed December 1, 2003. It did not have an across-the-board reduction. It did enact a rescission to the Reclamation's Working Capital Fund as proposed in the budget request.
- The 2004 Consolidated Appropriations Act, P.L. 108-199 signed on January 23, 2004, included: an additional across-the-board reduction of 0.59 percent; an additional \$100,000 for an Office of Native Hawaiian Relations within the Office of the Secretary; an exemption from the 0.646 percent reduction for the \$99.0 million provided in the 2004 Interior and Related Agencies bill for fire repayments (it is not exempt from the 0.59 percent reduction included in the Consolidated bill); Secretarial discretion to allocate the two across-the board reductions within BIA's Land and Water Settlements account; and several non-budgetary technical changes.
- Chapter 3 of the Defense Appropriations Act. 2005, P.L. 108-287, was signed on August 5, 2004 and provided a \$100.0 million supplemental appropriation for BLM's fire suppression operations.
- During 2004, the land acquisition and construction accounts received \$134.4 million to repay earlier emergency transfers for suppression costs associated with the 2003 fire season. In 2004, no transfers were needed from these accounts to the Wildland Fire account to cover suppression costs. All transfers are scored and accounted for as budget authority transfers to comply with scoring rules. Appendix A provides totals with and without these transfers. (Funds appropriated in 2005 for disaster relief are setoff from normal base program totals in the same fashion.) The amounts presented throughout the "Budget in Brief" are the "without fire transfer and repayments and disaster supplemental" amounts.
- During 2004, NPS transferred \$27.2 million from unobligated balances in its Federal land acquisition program to FWS and NPS operating accounts and the NPS Construction account for Everglades activities. All transfers are scored and accounted for as budget authority transfers to comply with scoring rules. Appendix A provides details on these transfers.
- The NPS Construction account includes \$22.5 million in contingent funds provided in the 1996 Yosemite flood emergency supplemental. Funds were released after a legal determination was made on the repair costs that would be covered by concessionaire's insurance.
- The BLM's Management of Lands and Resources appropriation includes a separate appropriation for mining law administration that is to be reduced by the use of mining claim fees until the appropriation is reduced to zero and, thus, is not included in the total. In 2004, these fees were insufficient to reduce the \$32.696 million appropriation for mining law administration to zero. This resulted in an appropriation of \$15.423 million above the amount appearing in the initial documentation of the 2004 BLM appropriation.
- The OSM Regulation and Technology appropriation includes authority to retain civil penalties. The actual collections totaled \$74,200 versus the estimate of \$100,000, resulting in a final appropriation \$26 thousand less than that in the Committee support table.

### 2005 Estimates

- Division B of the 2005 Military Construction Appropriations Act, P.L. 108-324 signed October 13, 2004, provided funds to FWS, USGS, and NPS to repair hurricane damage and to Reclamation to alleviate Nevada drought conditions. The amounts are highlighted in Appendix A.
- The Consolidated Appropriations Act, P.L. 108-447, was signed December 12, 2004. The Interior and Related Agencies section included an across-the-board reduction of 0.594 percent while the Energy and Water section had no reduction. The Consolidated Act included a government-wide reduction of 0.8 percent.

**EXPLANATORY NOTES (CONTINUED)**

- Title IV of the Interior section provided \$100.0 million for emergency Wildland Fire suppression or repayment costs to be available after Congressional notification that current funding is exhausted. The budget assumes these funds will be needed in 2005.
- The Interior and Related Agencies section included a \$13.5 million transfer of unobligated Central Hazardous Materials balances to Departmental Management to offset the appropriation for the Financial and Business Management System. In 2005, the Indian Arts and Crafts Board was transferred to Departmental Management. Also in 2005 NPS finished the final transfers from its land acquisition account to the FWS and NPS operating accounts for Everglades activities; these transfers are shown for informational purposes only in Appendix A.
- Also included in the Interior appropriations is a mandated \$3.0 million Interior-wide fleet reduction that has been distributed among the bureaus with large fleet operations. The reductions, after application of the across-the-board reductions, are as follows:

BLM, Management of Lands and Resources.....	-319
BLM, Wildland Fire Management .....	-91
BLM, Oregon and California Grant Lands.....	-45
MMS, Royalty and Offshore Minerals Management .....	-6
OSM, Regulation and Technology .....	-11
OSM, Abandoned Mine Land .....	-6
USGS, Surveys, Investigations, and Research .....	-274
FWS, Resource Management.....	-689
NPS, Construction.....	-912
BIA, Operation of Indian Programs .....	-606

- An appropriation of \$1.9 million in the Defense Appropriations Act for transfer to NPS for Fort Baker is not included in the 2005 totals due to its origination outside the Interior and Related Agencies Act and to avoid distorting the “differences” column. The 2004 amount for Fort Baker of \$2.5 million is scored.

**2005 Authorization Proposals**

- **OST Accounting for Trust Deficiencies** — In 1998, OST identified a difference between the OST investment balances and the underlying Individual Indian Monies account balances. Since that time, approximately \$700,000 has been recovered as a result of historical account reconciliation efforts. An approximate \$6 million discrepancy currently exists between the investment balances and the IIM subsidiary accounts. The Administration has proposed legislation to balance the accounts that would authorize up to \$6.0 million be made available to credit the investment balances. This amount is shown in Appendix A.

**2006 Appropriations Proposals**

- **OSM Abandoned Mine Reclamation** — The budget assumes legislation to extend the fee on all domestic coal production and to modify the Surface Mining Control and Reclamation Act to direct these dollars toward the most serious reclamation problems. The new legislation would authorize \$58.0 million a year for ten years from the unappropriated fund share balances to States and Indian Tribes that have been certified under section 411(a) of the act as having completed their reclamation needs. Certified States and Tribes would not receive any allocations from the extended coal fee.

## EXPLANATORY NOTES (CONTINUED)

- **Reclamation Hydropower** — The budget proposes to finance the costs of operating and maintaining certain Reclamation hydropower facilities directly from fees collected by the Western Area Power Administration. Each year, WAPA would provide an agreed upon amount to Reclamation for such expenses. The transferred funds would be treated as an offsetting collection. Reflecting a \$30 million transfer in 2006, the \$801.6 million request for the Water and Related Resources on a net basis totals \$771.6 million.
- **Increase in Cost Recovery Activities** — The budget assumes an increase over 2005 in user fees for energy and minerals and rights-of-way permitting processes resulting in estimated \$19.0 million and \$12.9 million for MMS and BLM operations, respectively.

### 2006 Authorization Proposals

- **BLM Southern Nevada Land Sales** — The budget proposes to amend the Southern Nevada Public Land Management Act to return 70 percent of receipts under the Act to the Treasury. Currently 85 percent of funds are deposited in a special account to be used by NPS, FWS, and BLM to acquire environmentally sensitive lands in Nevada; make capital improvements; develop a multi-species habitat plan for Clark County; develop parks, trails, and natural areas and implement other conservation initiatives in the county; and reimburse BLM for costs incurred in arranging sales and exchanges under the Act. The proposal would not change the amount of revenue currently provided to State and local entities, only the portion dedicated to Federal spending in Nevada. The 2006 budget estimates are that under this proposal \$617.6 million will be deposited in the general funds of the Treasury and \$132.3 million will be available for the purposes listed above. These amounts do not include interest earned on the Federal funds, which add \$27.7 million to the Federal funds available for spending and \$7.1 million to general fund "savings".
- **Range Improvements** — The budget proposes to eliminate BLM's Range Improvements Fund in 2006. Funds previously credited to this fund will be deposited in the general funds of the Treasury. Needed range improvements in 2006 would be funded with annual appropriations in the BLM Management of Lands and Resources account.



# 2006 REQUEST BY MISSION GOAL

(in millions of dollars)

## RESOURCE PROTECTION

Appropriations/Bureau/Account	Improve health of watersheds and landscapes	Sustain biological communities	Protect cultural and heritage resources
<b>INTERIOR AND RELATED AGENCIES</b>			
<b>BUREAU OF LAND MANAGEMENT</b>			
Management of Lands and Resources .....	123.7	76.4	66.5
Wildland Fire Management .....	102.2	0	0
Land Acquisition .....	3.0	6.1	1.5
Oregon and California Grant Lands.....	6.6	3.2	0.2
Miscellaneous Trust Funds .....	1.1	0.3	0
Total BLM .....	<u>236.6</u>	<u>86.0</u>	<u>68.2</u>
<b>OFFICE OF SURFACE MINING</b>			
Regulation and Technology .....	0.3	0	0
Abandoned Mine Reclamation Fund .....	<u>81.9</u>	<u>0</u>	<u>0</u>
Total OSM.....	<u>82.2</u>	<u>0</u>	<u>0</u>
<b>U.S. GEOLOGICAL SURVEY</b> .....			
	42.2	106.6	0
<b>FISH AND WILDLIFE SERVICE</b>			
Resource Management .....	128.1	606.6	3.6
Construction.....	0	4.7	0
Land Acquisition .....	0	41.0	0
Landowner Incentive Program .....	0	40.0	0
Private Stewardship Grants .....	0	10.0	0
State Wildlife Grants Fund.....	0	74.0	0
N. American Wetlands Conserv. Fund .....	0	49.9	0
Cooperative Endangered Species Conserv.....	0	80.0	0
Neotropical Migratory Bird Grants .....	0	0	0
Multinational Species Conserv. Fund.....	0	8.3	0
Total FWS .....	<u>128.1</u>	<u>914.6</u>	<u>3.6</u>
<b>NATIONAL PARK SERVICE</b>			
Operation of the National Park System .....	119.4	74.3	337.0
United States Park Police .....	0	0.1	33.6
National Recreation and Preservation .....	1.1	0.7	22.0
Historic Preservation Fund .....	0	0	65.7
Construction.....	55.2	0.5	172.1
Fed. Land Acquisition & State Assistance .....	12.1	0	0.7
Land Transfer to Construction .....	0	0	-8.5
LWCF rescission .....	0	0	-15.0
Total NPS .....	<u>187.8</u>	<u>75.6</u>	<u>607.6</u>
<b>NATURAL RESOURCES DAMAGE ASSESSMENT</b>			
	6.1	0	0
<b>DEPARTMENTAL MANAGEMENT</b>			
Appraisal Services.....	1.0	3.2	0.1
<b>SUBTOTAL, INTERIOR &amp; RELATED AGENCIES....</b>			
	<b><u>684.0</u></b>	<b><u>1,186.0</u></b>	<b><u>679.5</u></b>

*Note: Numbers may not appear to add due to rounding.*

## APPENDIX B

### 2006 REQUEST BY MISSION GOAL (in millions of dollars)

#### RESOURCE PROTECTION (*continued*)

Appropriations/Bureau/Account	Improve health of watersheds and landscapes	Sustain biological communities	Protect cultural and heritage resources
<b>ENERGY AND WATER DEVELOPMENT</b>			
<b>BUREAU OF RECLAMATION</b>			
Water and Related Resources .....	23.2	2.0	1.0
Policy and Administration.....	1.7	0.1	0.1
Total BOR.....	24.9	2.2	1.0
<b>CUPCA</b>			
Central Utah Project Completion .....	0	0.7	0
Utah Reclamation and Mitigation.....	0.2	0.7	0
Total CUPCA.....	0.2	1.4	0
<b>SUBTOTAL, ENERGY &amp; WATER DEVELOPMENT .</b>	<b>25.1</b>	<b>3.6</b>	<b>1.0</b>
<b>TOTAL, DEPARTMENT OF THE INTERIOR ....</b>	<b>709.1</b>	<b>1,189.6</b>	<b>680.5</b>
<b>MISSION GOAL TOTAL – ALL ACCOUNTS ...</b>			<b>2,579.2</b>

*Note: Numbers may not appear to add due to rounding.*

**2006 REQUEST BY MISSION GOAL**  
**(in millions of dollars)**

**RESOURCE USE**

Appropriation/Bureau/Account	Provide access to responsible use and optimum value-energy	Provide access to responsible use and optimum value-non-energy	Provide access to responsible use and optimum value-forage	Provide access to responsible use and optimum value-forest products	Deliver water in an environmentally responsible and cost-effective manner	Deliver power in an environmentally responsible and cost-effective manner
<b>INTERIOR AND RELATED AGENCIES</b>						
<b>BUREAU OF LAND MANAGEMENT</b>						
Management of Lands and Resources .....	149.7	21.7	61.6	13.4	0	0
Wildland Fire Management .....	0	0	0	0	0	0
Construction and Access .....	0	0	0	0	0	0
Land Acquisition .....	0	0	0	0	0	0
Oregon and California Grant Lands .....	2.3	0	1.1	70.2	0	0
Total BLM .....	<u>152.0</u>	<u>21.7</u>	<u>62.7</u>	<u>83.6</u>	<u>0</u>	<u>0</u>
<b>MINERALS MANAGEMENT SERVICE</b>						
Royalty and Offshore Minerals Management....	144.4	0.8	0	0	0	0
Oil Spill Research .....	7.0	0	0	0	0	0
Total MMS .....	<u>151.4</u>	<u>0.8</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>OFFICE OF SURFACE MINING</b>						
Regulation and Technology .....	110.2	0	0	0	0	0
Abandoned Mine Reclamation Fund .....	0.9	0	0	0	0	0
Total OSM.....	<u>111.1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>U.S. GEOLOGICAL SURVEY</b> .....						
.....	23.6	25.1	0	0	0	0
<b>FISH AND WILDLIFE SERVICE</b>						
Resource Management .....	8.1	1.3	7.6	7.6	4.0	1.3
Construction.....	0	0	0	0	2.9	0
Total FWS .....	<u>8.1</u>	<u>1.3</u>	<u>7.6</u>	<u>7.6</u>	<u>7.0</u>	<u>1.3</u>
<b>SUBTOTAL, INTERIOR &amp; RELATED AGENCIES....</b>	<b>446.3</b>	<b>48.8</b>	<b>70.3</b>	<b>91.2</b>	<b>7.0</b>	<b>1.3</b>
<b>ENERGY AND WATER DEVELOPMENT</b>						
<b>BUREAU OF RECLAMATION</b>						
Water and Related Resources .....	0	0	0	0	695.2	64.3
Policy and Administration.....	0	0	0	0	50.3	4.6
Central Valley Restoration .....	0	0	0	0	52.2	0
California Bay Delta.....	0	0	0	0	35.0	0
Total BOR.....	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>832.7</u>	<u>68.9</u>
<b>CENTRAL UTAH PROJECT COMPLETION ACT</b>						
Central Utah Project Completion .....	0	0	0	0	32.2	0
Utah Reclamation and Mitigation.....	0	0	0	0	0	0
Total CUPCA.....	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>32.3</u>	<u>0</u>
<b>SUBTOTAL, ENERGY &amp; WATER DEVELOPMENT</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>865.0</b>	<b>68.9</b>
<b>TOTAL, DEPARTMENT OF THE INTERIOR ....</b>	<b>446.3</b>	<b>48.8</b>	<b>70.3</b>	<b>91.2</b>	<b>872.0</b>	<b>70.2</b>
<b>MISSION GOAL TOTAL – ALL ACCOUNTS ...</b>						<b>1,598.7</b>

*Note: Numbers may not appear to add due to rounding.*

**APPENDIX B****2006 REQUEST BY MISSION GOAL**  
(in millions of dollars)**RECREATION**

<u>Appropriations/Bureau/Account</u>	<u>Ensure access to appropriate recreation opportunities on DOI lands</u>	<u>Ensure a quality experience of natural and cultural resources on DOI lands</u>
<b>INTERIOR AND RELATED AGENCIES</b>		
<b>BUREAU OF LAND MANAGEMENT</b>		
Management of Lands and Resources .....	58.8	9.4
Construction and Access .....	2.8	0
Oregon and California Grant Lands .....	6.6	0.3
Total BLM .....	<u>68.1</u>	<u>9.7</u>
<b>FISH AND WILDLIFE SERVICE</b>		
Resource Management.....	161.8	0
Total FWS .....	<u>161.8</u>	<u>0</u>
<b>NATIONAL PARK SERVICE</b>		
Operation of the National Park System .....	925.6	18.5
National Recreation and Preservation .....	13.1	0
Historic Preservation Fund.....	0.4	0.1
Construction .....	79.2	0.5
Fed. Land Acquisition & State Assistance .....	41.7	0
Land Transfer to Construction .....	-8.5	0
LWCF Rescission .....	-15.0	0
Total NPS .....	<u>1,036.4</u>	<u>19.1</u>
<b>DEPARTMENTAL MANAGEMENT</b>		
Appraisal Services .....	2.9	0
Total DM.....	<u>2.9</u>	<u>0</u>
<b>SUBTOTAL, INTERIOR &amp; RELATED AGENCIES....</b>	<b><u>1,269.2</u></b>	<b><u>28.8</u></b>
<b>ENERGY AND WATER DEVELOPMENT.....</b>		
<b>BUREAU OF RECLAMATION.....</b>		
Water and Related Resources.....	15.7	0.1
Policy and Administration .....	1.1	0
Total BOR.....	<u>16.9</u>	<u>0.1</u>
<b>SUBTOTAL, ENERGY &amp; WATER DEVELOPMENT.</b>	<b><u>16.9</u></b>	<b><u>0.1</u></b>
<b>TOTAL, DEPARTMENT OF THE INTERIOR ....</b>	<b><u>1,286.1</u></b>	<b><u>28.9</u></b>
<b>MISSION GOAL TOTAL – ALL ACCOUNTS ...</b>		<b><u>1,315.0</u></b>

Note: Numbers may not appear to add due to rounding.

**2006 REQUEST BY MISSION GOAL**  
**(in millions of dollars)**

**SERVING COMMUNITIES**

Appropriations/Bureau/Account	Protect lives and property	Advance knowledge through scientific leadership	Fulfill trust responsi- bilities	Advance quality communi- ties for Tribes	Advance quality communi- ties for Islands
<b>INTERIOR AND RELATED AGENCIES</b>					
<b>BUREAU OF LAND MANAGEMENT</b>					
Management of Lands and Resources .....	269.0	0	0	0	0
Wildland Fire Management .....	654.4	0	0.4	0	0
Construction and Access .....	3.7	0	0	0	0
Land Acquisition .....	2.8	0	0	0	0
Oregon and California Grant Lands.....	19.6	0	0	0	0
Miscellaneous Trust Funds .....	10.7	0	0	0	0
Total BLM .....	960.1	0	0.4	0	0
<b>MINERALS MANAGEMENT SERVICE</b>					
Royalty and Offshore Minerals Management....	0	0	15.2	0	0
Total MMS .....	0	0	15.2	0	0
<b>OFFICE OF SURFACE MINING</b>					
Abandoned Mine Reclamation Fund .....	163.2	0	0	0	0
Total OSM.....	163.2	0	0	0	0
<b>U.S. GEOLOGICAL SURVEY</b> .....					
	82.2	653.8	0	0	0
<b>FISH AND WILDLIFE SERVICE</b>					
Resource Management .....	40.2	9.2	6.2	0	0
Construction.....	1.7	0	0	10.4	0
National Wildlife Refuge Fund .....	14.4	0	0	0	0
Total FWS .....	56.3	9.2	6.2	10.4	0
<b>NATIONAL PARK SERVICE</b>					
Operation of the National Park System .....	259.3	0	0	0	0
United States Park Police .....	46.6	0	0	0	0
Construction.....	16.9	0	0	0	0
Total NPS .....	322.8	0	0	0	0
<b>BUREAU OF INDIAN AFFAIRS</b>					
Operation of Indian Programs .....	0	0	344.3	1,579.9	0
Construction .....	30.2	16.3	185.6	0	0
Indian Land & Water Claims & Settlements .....	0	0	24.8	0	0
Guaranteed Loan Program .....	0	0	0	6.3	0
Total BIA .....	30.2	16.3	554.7	1,586.3	0
<b>OFFICE OF THE SPECIAL TRUSTEE</b>					
Federal Programs .....	0	0	269.4	0	0
Indian Land Consolidation.....	0	0	34.5	0	0
Total OST .....	0	0	303.9	0	0
<b>INSULAR AFFAIRS</b>					
Assistance to Territories .....	0	0	0	0	74.3
Compact of Free Association.....	0	0	0	0	4.9
Total OfA .....	0	0	0	0	79.1
<b>DEPARTMENTAL MANAGEMENT</b>					
Appraisal Services.....	0.2	0	0	0	0
Central Hazmat .....	9.9	0	0	0	0
Payment in Lieu of Taxes .....	200.0	0	0	0	0
Total DM .....	210.1	0	0	0	0
<b>SUBTOTAL, INTERIOR &amp; RELATED AGENCIES....</b>	<b>1,824.8</b>	<b>679.4</b>	<b>880.4</b>	<b>1,596.6</b>	<b>79.1</b>

*Note: Numbers may not appear to add due to rounding.*

**APPENDIX B****2006 REQUEST BY MISSION GOAL**  
(in millions of dollars)**SERVING COMMUNITIES (continued)**

<u>Appropriations/Bureau/Account</u>	<u>Protect lives and property</u>	<u>Advance knowledge through scientific leadership</u>	<u>Fulfill trust responsibilities</u>	<u>Advance quality communities for Tribes</u>	<u>Advance quality communities for Islands</u>
<b>ENERGY AND WATER DEVELOPMENT</b>					
<b>CENTRAL UTAH PROJECT COMPLETION ACT</b>					
Central Utah Project Completion.....	0	0	0	0.4	0
Total CUPCA.....	0	0	0	0.4	0
<b>SUBTOTAL, ENERGY &amp; WATER DEVELOPMENT .</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.4</b>	<b>0</b>
<b>TOTAL, DEPARTMENT OF THE INTERIOR ....</b>	<b>1,824.8</b>	<b>679.4</b>	<b>880.4</b>	<b>1,597.0</b>	<b>79.1</b>
<b>MISSION GOAL TOTAL – ALL ACCOUNTS ...</b>					<b>5,060.8</b>

*Note: Numbers may not appear to add due to rounding.*

**2006 REQUEST BY MISSION GOAL**  
**(in millions of dollars)**

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**MANAGEMENT EXCELLENCE**

<u>Appropriations/Bureau/Account</u>	<u>Departmental Oversight and Other</u>
<b>DEPARTMENTAL MANAGEMENT</b>	
Salaries and Expenses.....	112.7
Total DM.....	<hr/> 112.7
<b>OFFICE OF THE SOLICITOR .....</b>	<b>55.8</b>
<b>OFFICE OF INSPECTOR GENERAL .....</b>	<b>41.0</b>
<b>SUBTOTAL, INTERIOR &amp; RELATED AGENCIES....</b>	<b>209.5</b>
<b>TOTAL, DEPARTMENT OF THE INTERIOR ....</b>	<b>209.5</b>
<b>MISSION GOAL TOTAL – ALL ACCOUNTS ...</b>	<b>209.5</b>

*Note: Numbers may not appear to add due to rounding.*



# MAINTAINING AMERICA'S HERITAGE

(in thousands of dollars)

Bureau/Account	2004 Actual	2005 Enacted	2006 Request	2006 Compared to 2005
<b>MAINTENANCE</b>				
<b>Bureau of Land Management</b>				
Management of Land and Resources.....	81,533	77,813	76,291	-1,522
Oregon and California Grant Lands .....	10,777	10,619	10,903	+284
Wildland Fire Management.....	12,221	12,202	7,849	-4,353
Subtotal, BLM.....	<u>104,531</u>	<u>100,634</u>	<u>95,043</u>	<u>-5,591</u>
<b>U.S. Geological Survey</b>				
Surveys, Investigations, and Research.....	33,771	33,204	33,284	+80
<b>Fish and Wildlife Service</b>				
Resource Management <sup>1</sup> .....	119,029	154,056	156,322	+2,266
<b>National Park Service</b>				
Operation of the National Park System.....	559,211	582,739	595,586	+12,847
<b>Bureau of Indian Affairs</b>				
Operation of Indian Programs.....	76,934	73,150	77,065	+3,915
Subtotal, Maintenance.....	<u>893,476</u>	<u>943,783</u>	<u>957,300</u>	<u>+13,517</u>
<b>CONSTRUCTION</b>				
Bureau of Land Management .....	13,804	11,340	6,476	-4,864
Fish and Wildlife Service .....	59,808	52,658	19,676	-32,982
National Park Service.....	356,880	302,180	324,362	+22,182
Bureau of Indian Affairs .....	319,129	319,129	232,137	-86,992
Subtotal, Construction .....	<u>777,319</u>	<u>685,307</u>	<u>582,651</u>	<u>-102,656</u>
<b>TOTAL, DEPARTMENT OF THE INTERIOR</b>	<b>1,670,795</b>	<b>1,629,090</b>	<b>1,539,951</b>	<b>-81,139</b>
<b>TOTALS BY BUREAU</b>				
Bureau of Land Management .....	118,335	111,974	101,519	-10,455
U.S. Geological Survey.....	33,771	33,204	33,284	+80
Fish and Wildlife Service .....	178,837	206,714	175,998	-30,716
National Park Service.....	916,091	884,919	919,948	+35,029
Bureau of Indian Affairs .....	423,761	392,279	309,202	-83,077
<b>TOTAL, DEPARTMENT OF THE INTERIOR.....</b>	<b>1,670,795</b>	<b>1,629,090</b>	<b>1,539,951</b>	<b>-81,139</b>

<sup>1</sup> 2005 and 2006 amounts are not comparable to 2004 due to a budget structure change.



# CONSTRUCTION PROGRAM

## Interior and Related Agencies

(in thousands of dollars)

<u>Bureau/State/Project</u>	<u>Estimated Cost</u>	<u>Thru 2005</u>	<u>2006 Request</u>
<b>BUREAU OF LAND MANAGEMENT</b>			
<b>Arizona</b>			
Empire Ranch Headquarters Public Facilities and Accessibility, Phase I Construct a needed sanitary facility at this historic operating ranch that is visited annually by up to 16,000 people. Facility planning, survey and design work will be complete in 2006.	244	0	44
Little Boquillas Historic Ranch Fire Protection, Phase I Install a fire protection system in this complex of very historic buildings including an alarm system, the placement of two fire hydrants, establishment of a water storage facility, and emplacement of a sprinkler system. Phase I will involve survey, design, and development of system specifications.	265	0	45
Nixon Springs Redevelopment Correct deficiencies in the water system of the site's administrative facility, including replacement of the current spring collection system, installation of two water storage tanks, and development of a solar powered water treatment system.	188	0	188
San Pedro Riparian National Conservation Area Education Amphitheater, Phase II Construct a modified-scope, shaded amphitheater that minimizes adverse impact to the site and includes needed sanitary facilities and parking areas.	214	101	113
<b>California</b>			
Brophy Ridge Trailhead Development Construct trails, trailhead parking, a sanitary facility, and an information kiosk for non-motorized trail users.	163	0	163
Clear Creek Work Center, Phase I Fund survey and design needs of the facility that will provide a safe location for the removal of asbestos materials from vehicles and equipment using the public lands in this area.	1,915	0	200
Stoddard and Johnson Valley Off-Highway-Vehicle Areas Construct nine vault toilets at these popular OHV areas that are currently without sanitary facilities of any type although they have up to 190,000 visitors per year.	186	0	186

## APPENDIX D

### CONSTRUCTION PROGRAM Interior and Related Agencies (in thousands of dollars)

Bureau/State/Project	Estimated Cost	Thru 2005	2006 Request
<b>Colorado</b>			
Cactus Cliff Road and Parking Development Make road improvements, construct three parking areas, develop informational and regulatory signing, and install a vault toilet for the area.	141	0	141
Gunnison Gorge NCA Visitor Information and Site Resource Protection, Phase I Improve 20 trailheads, overlook facilities, parking areas, and kiosks.	330	0	246
Shelf Road Recreation Area Construct a double vault toilet, necessary road improvements, parking, additional campsites, interpretive/informational signing, and complete a water well to accommodate the ever increasing recreational use of the site.	126	0	126
<b>Idaho</b>			
Lime Hill Communication Site Construct a communication facility to provide radio coverage for the popular recreation sites of the Hells Canyon Corridor of the Lower Snake River and portions of Sturgill Mountain.	204	0	204
Menan Butte Trailhead and Trail Construct a gravel parking area, one mile of trail, a vault toilet, 20 off-highway-vehicle barriers, and trail signing for this trail system used by 2,000 people per month.	296	0	296
<b>Montana</b>			
Pompey's Pillar Visitor Center, Phase III Complete a new entrance road, parking area, and fee collection station for the interpretive center being constructed at the national monument for the visitor center scheduled for completion in 2005. The Lewis and Clark National Signature event is to be hosted by BLM at this site in 2006.	7,515	4,900	2,615
<b>Nevada</b>			
Water Canyon Recreation Area Reconstruct and upgrade over five miles of the collector road which serves as access to the recreation area, develop camping sites, and construct sanitary facilities.	577	56	521
<b>Utah</b>			
Book Cliffs Cabins Construct three new cabins replacing functional capabilities of the current historic facilities to provide safe and functional sleeping quarters, meet administrative needs, and assure sanitary facilities for users of the Book Cliffs.	336	0	336

**CONSTRUCTION PROGRAM**  
**Interior and Related Agencies**  
**(in thousands of dollars)**

Bureau/State/Project	Estimated Cost	Thru 2005	2006 Request
<b>Utah (continued)</b>			
Comb Wash Recreation Area Realign one and one-half miles of road and construct four new toilets, an 18 unit campsite, trails, and two shade facilities. These facilities are necessary to help protect cultural and historic artifacts within this national historic district.	557	0	557
<b>Wyoming</b>			
Trappers Route Recreation Sites, Phase II Develop recreational facilities at five sites along the North Platte River to include construction of one new vault toilet, replacement of an existing vault toilet, development of a 10-unit campground, establishment of one mile of new road, development of one mile of trail, placement of fences and traffic barriers, surfacing of access roads, trails, and parking areas, and restoration of riparian areas.	313	84	229
<b>Bureau-wide</b>			
Architectural and Engineering Services Provide for completion of survey and design work, final project design, and initial contract development for construction projects within the BLM Five-Year Plan.	266	0	266
<b>TOTAL, BUREAU OF LAND MANAGEMENT</b>			<b>6,476</b>

**FISH AND WILDLIFE SERVICE****Arizona**

Kofa National Wildlife Refuge Complete structural replacement of four buildings.	1,863	348	1,515
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**Illinois**

Crab Orchard National Wildlife Refuge Complete rehabilitation of the visitor center dam.	2,625	0	2,625
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**Indiana**

Big Oaks National Wildlife Refuge Design and complete Phase II rehabilitation of the Old Timbers Lake Dam.	150	0	150
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**Maine**

Craig Brook National Fish Hatchery Complete Phase III construction of the wastewater treatment system to achieve compliance.	4,602	2,122	2,480
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## APPENDIX D

### CONSTRUCTION PROGRAM Interior and Related Agencies (in thousands of dollars)

Bureau/State/Project	Estimated Cost	Thru 2005	2006 Request
<b>Texas</b>			
Balcones Canyonlands National Wildlife Refuge Plan, design, and complete construction on the Martin Lake and Martin West Dams.	500	0	500
<b>Servicewide</b>			
Division of Safety, Security, and Aviation Complete Phase III of the replacement of survey aircraft.	10,000	1,980	1,500
Bridge Safety – Bridge Safety Program and Inspections Inspect 300 of the FWS's 700+ bridges to ensure that they remain in a safe operating condition and are capable of carrying loads within design limits.	570	Annual	570
Dam Safety – Dam Safety Program and Inspections Perform annual safety inspections and evaluations of high and significant hazard dams.	720	Annual	720
Core Engineering Services	–	–	5,900
Seismic Safety Program	–	–	130
Environmental Compliance Management	–	–	1,000
Waste Prevention, Recycling, and Environmental Management Systems	–	–	130
Cost Allocation Methodology	–	–	2,456
<b>TOTAL, FISH AND WILDLIFE SERVICE</b>			<b>19,676</b>
<b>NATIONAL PARK SERVICE</b>			
<b>Alabama</b>			
Tuskegee Airmen National Historic Site Preserve and rehabilitate Moton Airfield site.	TBD	0	6,767
<b>Alaska</b>			
Western Arctic National Parklands Construct Northwest Alaska Heritage Center and administrative headquarters.	15,889	3,156	12,733
<b>Arkansas</b>			
Hot Springs National Park Rehabilitate bathhouses for adaptive reuse.	19,090	13,031	6,059

**CONSTRUCTION PROGRAM**  
**Interior and Related Agencies**  
(in thousands of dollars)

Bureau/State/Project	Estimated Cost	Thru 2005	2006 Request
<b>California</b>			
Death Valley National Park Reconstruct non-compliant Furnace Creek water system.	5,791	0	5,791
Pinnacles National Monument Relocate and replace flood-prone west side maintenance and visitor facilities.	4,794	0	4,794
Point Reyes National Seashore Restore and enhance the coastal watershed.	2,160	0	2,160
Redwood National Park Protect park resources by removing failing roads.	10,033	3,263	2,169
San Francisco Maritime National Historical Park Repair historic Sala Burton Maritime Museum building.	4,350	0	4,350
Yosemite National Park Replace hazardous gas disinfection system at El Portal wastewater plant.	2,176	0	2,176
<b>District of Columbia</b>			
The White House Rehabilitate the structure and utilities for the Executive Residence.	44,793	29,221	6,523
<b>Florida</b>			
Dry Tortugas National Park Preserve Fort Jefferson.	7,112	749	6,618
Everglades National Park Modify water delivery system*	396,393	192,393	[25,000]
Modify water delivery system with transfer from previously appropriated NPS Land Acquisition funds			8,000
			17,000
* Post-2006 budget contributions are estimated to be \$88 million from the U.S. Army Corps of Engineers and \$41 million from NPS.			
<b>Hawaii</b>			
Kalaupapa National Historical Park Replace non-compliant sewage cesspools per State and EPA mandates.	3,779	0	3,779
<b>Kansas</b>			
Fort Larned National Historic Site Stabilize and restore North Officers' Quarters.	1,159	0	1,159

**CONSTRUCTION PROGRAM**  
**Interior and Related Agencies**  
(in thousands of dollars)

Bureau/State/Project	Estimated Cost	Thru 2005	2006 Request
<b>Maryland</b>			
Chesapeake and Ohio Canal National Historical Park Repair and rehabilitate Great Falls Visitor Center and facilities.	1,847	0	1,847
Fort Washington Park Stabilize Fort Washington.	9,875	6,999	2,876
<b>Massachusetts</b>			
Boston Harbor Islands National Recreation Area Construct floating docks to provide safe access to Little Brewster Island.	832	0	832
Boston National Historical Park Rehabilitate Building Five.	3,082	0	3,082
Saugus Iron Works National Historic Site Rehabilitate resources for accessibility and safety.	1,334	0	1,334
Saugus Iron Works National Historic Site Restore Saugus River turning basin and dock.	3,078	0	3,078
<b>Minnesota</b>			
Grand Portage National Monument Establish Grand Portage Heritage Center.	4,397	397	4,000
<b>Mississippi</b>			
Gulf Islands National Seashore Rehabilitate Fort Pickens water system.	971	0	971
<b>Montana</b>			
Glacier National Park Remove hazardous materials and correct fire egress at Many Glacier Hotel.	758	0	758
<b>Nevada</b>			
Lake Mead National Recreation Area Rehabilitate failed, non-compliant wastewater systems, park-wide, Phase I.	7,044	0	2,697
Lake Mead National Recreation Area Replace failed and leaking water distribution systems, park-wide, Phase I.	11,783	0	6,642
<b>New Jersey</b>			
Delaware Water Gap National Recreation Area Replace Depew recreation site.	3,333	462	2,871

**CONSTRUCTION PROGRAM**  
**Interior and Related Agencies**  
(in thousands of dollars)

Bureau/State/Project	Estimated Cost	Thru 2005	2006 Request
<b>New Mexico</b>			
Chaco Culture National Historical Park Replace and upgrade curation facilities in partnership with the University of New Mexico.	4,238	0	4,238
<b>New York</b>			
Fire Island National Seashore Replace West Entrance ranger station and construct restrooms.	764	0	764
Statue of Liberty and Ellis Island National Monuments Complete Ellis Island historic seawall rehabilitation.	9,052	600	8,452
<b>Ohio</b>			
Hopewell Culture National Historical Park Salvage archeological resources threatened by erosion.	389	0	389
<b>Pennsylvania</b>			
Independence National Historical Park Complete landscaping on Independence Mall.	2,000	0	2,000
Independence National Historical Park Rehabilitate Deschler-Morris-Bringhurst House utilities and exhibits.	3,932	0	3,932
<b>South Dakota</b>			
Wind Cave National Park Replace deteriorating cave lighting system.	2,851	0	2,851
Wind Cave National Park Replace failing wastewater treatment facility.	4,928	0	4,928
<b>Texas</b>			
Amistad National Recreation Area Upgrade water and wastewater systems at Diablo East.	1,003	0	1,003
<b>Virginia</b>			
Blue Ridge Parkway Replace Otter Creek bridge and campground services.	804	0	804
George Washington Memorial Parkway Rehabilitate Arlington House, outbuildings, and grounds.	2,813	1,562	1,251
Shenandoah National Park Rehabilitate and remodel Panorama Facility as visitor/learning center.	4,535	0	4,835

## APPENDIX D

### CONSTRUCTION PROGRAM Interior and Related Agencies (in thousands of dollars)

<u>Bureau/State/Project</u>	<u>Estimated Cost</u>	<u>Thru 2005</u>	<u>2006 Request</u>
<b>Virginia (continued)</b>			
Wolf Trap Farm Park Replace main gate facility at Filene Center, Phase I.	7,255	0	4,285
<b>Washington</b>			
Mount Rainier National Park Rehabilitate failing structural components of Paradise Inn and Annex, Phase I.	15,984	0	7,900
Mount Rainier National Park Replace Jackson Visitor Center and rehabilitate upper and lower parking areas, Phase I.	18,910	0	14,307
Olympic National Park Restore the Elwha River ecosystem.	145,846	110,040	10,098
<b>Wyoming</b>			
Grand Teton National Park Rehabilitate 13 historic buildings for the Western Preservation Center at White Grass Dude Ranch.	1,673	0	1,673
Yellowstone National Park Replace Madison wastewater facilities.	4,114	0	4,114
Yellowstone National Park Replace Old Faithful visitor center.	11,175	0	11,175
Yellowstone National Park Restore west wing of Old House at Old Faithful Inn.	11,118	0	11,118
<b>Servicewide</b>			
Special Programs	—	—	41,395
Construction Planning	—	—	19,925
Construction Program Management and Operations	—	—	28,605
General Management Planning	—	—	13,254
<b>TOTAL, NATIONAL PARK SERVICE</b>			<b>324,362</b>

**CONSTRUCTION PROGRAM**  
**Interior and Related Agencies**  
(in thousands of dollars)

Bureau/State/Project	Estimated Cost	Thru 2005	2006 Request
<b>BUREAU OF INDIAN AFFAIRS</b>			
<i>Education Construction</i>			
<b>Replacement School Construction</b>	—	—	34,994
Replace schools in accordance with an established Priority List as listed below.			
<b>New Mexico</b>			
Crownpoint Boarding School			
<b>South Dakota</b>			
Porcupine Day School			
<b>Tribal School Demonstration Program</b>			
Replace schools via cost sharing with Tribes.			
<b>Multiple State</b>			
Advanced Planning and Design			8,500
<b>Employee Housing and Repair</b>			
Repair critical life safety related deficiencies in BIA employee housing.			2,000
<b>Facilities Improvement and Repair</b>			128,381
Repair critical life safety items, consolidate or close under-utilized facilities, and repair education facilities for BIA funded schools as listed below.			
<b>New Mexico</b>			
Ch'ooshgai School			
<b>South Dakota</b>			
Loneman Day School			
Pine Ridge (Oglala) School			
<b>Wisconsin</b>			
Menominee Tribal School			
<i>Subtotal, Education Construction</i>			173,875
<i>Public Safety and Justice Construction</i>			
<b>Major Facilities Improvement and Repair</b>			3,887
Address detention facilities improvement and repair needs, with emphasis on critical health and safety items identified in safety reports.			
<b>Montana</b>			
Blackfeet			
<b>Nebraska</b>			
Macy			
<b>North Dakota</b>			
Turtle Mountain			

**CONSTRUCTION PROGRAM**  
**Interior and Related Agencies**  
(in thousands of dollars)

Bureau/State/Project	Estimated Cost	Thru 2005	2006 Request
<b>Multiple States</b>			
Facilities Improvement and Repair Address detention facilities improvement and repair needs, with emphasis on critical health and safety items identified in safety reports.		4,336	
Fire Protection and Coordination Procure fire trucks and equipment and install fire sprinklers and fire and smoke alarms in dormitories, detention centers, and other buildings.		3,554	
<i>Subtotal, Public Safety and Justice Construction</i>		11,777	
<i>Resources Management Construction</i>			
<b>New Mexico</b>			
Navajo Indian Irrigation Project.	765,000	588,319	12,773
<b>Multiple States</b>			
Engineering and Supervision Irrigation project engineering and supervision.		2,103	
Survey and Design		300	
<b>Safety of Dams</b>			
Corrective Construction			
<b>Arizona</b>			
Bog Tank	5,000	250	750
Horseshoe Ciegega	5,750	750	5,000
<b>California</b>			
Lauer Dam	6,000	0	1,500
<b>Montana</b>			
Little Bitterroot	3,750	0	3,750
Lower Dry Fork	3,700	700	3,000
<b>New Mexico</b>			
Captain Tom Dam	2,150	0	400
Red Lake Dam	3,050	0	300
<b>Multi-State</b>			
Emergency Management Systems		2,330	
Inspection of Dams, Program Coordination		3,434	
Dam Maintenance		1,945	
<b>Federal Energy Regulatory Commission Activities</b>		687	
<i>Subtotal, Resource Management Construction</i>		38,272	

**CONSTRUCTION PROGRAM  
Interior and Related Agencies  
(in thousands of dollars)**

Bureau/State/Project	Estimated Cost	Thru 2005	2006 Request
<i>General Administration</i>			
<b>Multiple States</b>			
Telecommunications Improvement and Repair		900	
Facilities Improvement and Repair		1,236	
Construction Program Management		6,077	
<i>Subtotal, General Administration</i>			8,213
<b>TOTAL, BUREAU OF INDIAN AFFAIRS</b>			<b>232,137</b>

## APPENDIX D

### CONSTRUCTION PROGRAM Energy and Water Development (in thousands of dollars)

Bureau/State/Project	Estimated Cost	Thru 2005	2006 Request
<b>BUREAU OF RECLAMATION</b>			
<b>Arizona</b>			
Central Arizona Project	4,588,352	3,557,731	22,128
Colorado River Basin Salinity Control, Title I	453,075	413,827	0
Colorado River Front Work & Levee System	207,523	113,984	2,455
Fort McDowell Indian Water Rights Settlement	2,209	1,553	400
Phoenix Metropolitan Water Reclamation Reuse	20,000	1,318	200
San Carlos Apache Tribe Water Settlement	37,850	0	100
Southern Arizona Water Rights Settlement Act	68,331	35,635	4,725
Tres Rios Wetlands Demonstration	8,030	6,884	400
<b>California</b>			
American River Division, CVP	209,998	171,993	0
Auburn-Folsom South Unit, CVP	2,947,161	407,951	5,966
Calleguas Water Recycling	20,000	6,721	1,350
Delta Division, CVP	373,280	265,366	7,436
Long Beach Water Reclamation	18,836	8,578	650
Miscellaneous Project Programs, CVP *	860,946	538,789	33,998
North San Diego County Water Reclamation	20,000	15,207	1,250
Orange County Water Reclamation	20,000	13,939	1,250
Sacramento River Division, CVP	535,305	463,651	1,387
Salton Sea Research Project	40,000	19,429	1,000
San Diego Area Water Reclamation	172,590	76,841	3,500
San Felipe Division, CVP	372,631	313,872	670
San Gabriel Basin Project	38,090	30,463	500
San Joaquin Division, CVP *	887,070	165,713	19,335
Shasta Division, CVP *	299,087	292,469	895
Trinity River Division, CVP *	405,609	361,111	9,064
West San Joaquin Division, San Luis Unit, CVP	1,780,941	606,631	3,981
* Note: Request amounts includes CVP Restoration Fund.			
<b>Colorado</b>			
Animas-La Plata Project	509,994	221,103	52,000
<b>Idaho</b>			
Minidoka Northside Drain Water Project	1,830	1,493	200
Minidoka Project, Grassy Lake Dam, Safety of Dams Project	5,325	5,015	310
<b>Nevada</b>			
Lake Mead/Las Vegas Wash Program	10,000	8,319	1,200

**CONSTRUCTION PROGRAM**  
**Energy and Water Development**  
(in thousands of dollars)

Bureau/State/Project	Estimated Cost	Thru 2005	2006 Request
<b>North Dakota</b>			
Garrison Diversion Unit	1,587,865	763,317	22,610
<b>Oregon</b>			
Savage Rapids Dam Removal	na	2,897	1,000
<b>South Dakota</b>			
Lewis and Clark Rural Water System	302,488	39,525	15,000
Mni Wiconi Project	409,069	288,629	17,447
<b>Texas</b>			
Lower Rio Grande Water Conservation	47,000	6,571	50
<b>Utah</b>			
Provo River Project, Deer Creek Dam, Safety of Dams Project	18,236	8,412	4,900
Weber Basin Project	19,639	16,603	0
<b>Washington</b>			
Yakima River Basin Water Enhancement Project	286,242	60,453	8,500
<b>Multi-State Projects</b>			
CO River Basin Salinity Control, Title II Basinwide	175,000	84,567	10,000
CO River Storage Project, Section 8	90,179	43,773	4,030
Columbia and Snake Rivers FCRPS ESA Implementation	na	104,800	17,500
Endangered Species Recovery Implementation	na	129,533	9,734
Safety of Dams Corrective Actions/Studies	1,352,588	986,341	49,888
<b>TOTAL, BUREAU OF RECLAMATION</b>			<b>337,009</b>
<i>Note: Projects include only construction funding and therefore may differ from funding amounts shown in the Highlights of Budget Changes Section.</i>			
<b>CENTRAL UTAH PROJECT</b>			
Central Utah Project	763,547	271,159	31,271
<b>TOTAL, CENTRAL UTAH PROJECT</b>			<b>31,271</b>



# COOPERATIVE CONSERVATION PROGRAMS

(in thousands of dollars)

Program	2004 Actual	2005 Enacted	2006 Estimate	2006 Compared to 2005
<b>CCI CONSERVATION CHALLENGE COST SHARE</b>				
Bureau of Land Management.....	7,408	0	6,000	+6,000
Fish and Wildlife Service.....	5,927	0	7,600	+7,600
National Park Service .....	7,871	0	7,871	+7,871
Subtotal .....	<u>21,206</u>	<u>0</u>	<u>21,471</u>	<u>+21,471</u>
<b>TRADITIONAL CHALLENGE COST SHARE GRANTS</b>				
Bureau of Land Management.....	8,769	7,396	13,996	+6,600
Fish and Wildlife Service.....	3,827	4,339	4,400	+61
National Park Service				
Traditional .....	1,950	2,416	2,416	0
Lewis & Clark .....	4,902	4,927	2,500	-2,427
Subtotal .....	<u>19,448</u>	<u>19,077</u>	<u>23,312</u>	<u>+4,235</u>
<b>Fish and Wildlife Service</b>				
Coastal Program .....	10,186	11,740	14,900	+3,160
Migratory Bird Joint Ventures .....	10,225	10,232	12,900	+2,668
Partners for Fish and Wildlife .....	42,401	47,534	52,197	+4,663
<b>Departmental Management</b>				
Take Pride in America.....	494	490	1,000	+510
<b>GRANT PROGRAMS</b>				
<b>Fish and Wildlife Service</b>				
Landowner Incentive Program .....	29,630	21,694	40,000	+18,306
Private Stewardship Grants.....	7,408	6,903	10,000	+3,097
North American Wetlands Conservation Fund .....	37,532	37,472	49,949	+12,477
Coop. Endangered Species Conserv. Fund.....	81,596	80,462	80,000	-462
State and Tribal Wildlife Grants.....	69,137	69,028	74,000	+4,972
Subtotal, FWS Supporting Grant Programs .....	<u>225,303</u>	<u>215,559</u>	<u>253,949</u>	<u>+38,390</u>
<b>National Park Service</b>				
Land and Water Conservation Fund State Grants	93,829	91,215	1,587	-89,628
<b>TOTAL DEPARTMENT OF THE INTERIOR.....</b>				
	<b>423,092</b>	<b>395,847</b>	<b>381,316</b>	<b>-14,531</b>



# LAND ACQUISITION PROGRAM

## Land and Water Conservation Fund

(in thousands of dollars)

<u>State/Project</u>	<u>Acres</u>	<u>2006 Request</u>
<b>BUREAU OF LAND MANAGEMENT</b>		
Acquisition Management.....	2,300	
Emergencies and Inholdings .....	1,500	
<b>California</b>		
Carrizo Plain National Monument.....	800	500
<b>Colorado</b>		
Canyons of the Ancients National Monument .....	543	1,100
Colorado Canyons National Conservation Area.....	750	<u>1,500</u>
Subtotal .....		2,600
<b>Idaho</b>		
Upper Snake/South Fork Snake River Area of Critical Environ. Concern/Special Recreation Management Area .....	925	3,000
<b>Oregon</b>		
Oregon National Wild and Scenic Rivers/North Fork Owyhee National Wild and Scenic River .....	662	650
Sandy River/Oregon National Historic Trail .....	535	<u>1,600</u>
Subtotal .....		2,250
<b>Utah</b>		
Colorado River Special Recreation Management Area .....	500	1,200
<b>Subtotal, Bureau of Land Management.....</b>		<b>13,350</b>

## FISH AND WILDLIFE SERVICE

Acquisition Management.....	7,893
Cost Allocation Methodology .....	1,820
Exchanges.....	1,750
Emergency/Hardships.....	1,750
Inholdings .....	1,750
<b>Alaska</b>	
Alaska Peninsula National Wildlife Refuge.....	360
400	
<b>Arizona</b>	
Leslie Canyon National Wildlife Refuge .....	4,075
600	
<b>Arkansas</b>	
Cache River National Wildlife Refuge .....	290
809	

**LAND ACQUISITION PROGRAM**  
**Land and Water Conservation Fund**  
(in thousands of dollars)

<b>State/Project</b>	<b>Acres</b>	<b>2006 Request</b>
<b>California</b>		
Lower Klamath/Tule Lake National Wildlife Refuges .....	TBD	500
San Joaquin River National Wildlife Refuge.....	250	1,700
Subtotal .....		2,200
<b>Louisiana</b>		
Tensas River National Wildlife Refuge .....	2,159	1,900
<b>New Hampshire</b>		
Lake Umbagog National Wildlife Refuge .....	1,201	750
<b>Oregon</b>		
Bandon Marsh National Wildlife Refuge .....	95	220
Upper Klamath Lake National Wildlife Refuge, Barnes Tract .	2,671	6,000
Subtotal .....		6,220
<b>Texas</b>		
Laguna Atascosa National Wildlife Refuge .....	2,239	400
<b>Virginia</b>		
Eastern Shore of Virginia National Wildlife Refuge .....	135	1,750
<b>Washington</b>		
North Boundary Area, Quinault Indian Reservation .....	TBD	10,000
<b>Multi-State</b>		
Dakota Tallgrass Prairie National Wildlife Refuge (ND/SD) .....	2,500	500
Northern Tallgrass Prairie Wildlife Management Area (MN/IA) .....	386	500
Subtotal .....		1,000
<b>Subtotal, Fish and Wildlife Service.....</b>		<b>40,992</b>

**NATIONAL PARK SERVICE**

Acquisition Administration.....	9,749
Emergencies/Hardships .....	4,000
Inholdings and Exchanges.....	4,000

**Alaska**

Wrangell-St. Elias National Park and Preserve.....	972	1,900
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**LAND ACQUISITION PROGRAM**  
**Land and Water Conservation Fund**  
(in thousands of dollars)

<b>State/Project</b>	<b>Acres</b>	<b>2006 Request</b>
<b>California</b>		
Golden Gate National Recreation Area.....	15	525
Pinnacles National Monument .....	1,001	<u>3,000</u>
Subtotal .....		3,525
<b>District of Columbia</b>		
Carter G. Woodson Home National Historic Site .....	1	1,600
<b>Hawaii</b>		
Haleakala National Park .....	4,374	4,050
<b>Michigan</b>		
Sleeping Bear Dunes National Lakeshore .....	59	5,800
<b>Missouri</b>		
Wilson's Creek National Battlefield .....	210	1,200
<b>Pennsylvania</b>		
Flight 93 National Memorial .....	1,556	4,281
<b>Texas</b>		
Big Thicket National Preserve.....	4,032	8,000
<b>Virginia</b>		
Prince William Forest Park .....	19	1,175
<b>Multi-State</b>		
Civil War Battlefields.....	TBD	2,000
Lewis and Clark National Historical Park (OR/WA).....	160	<u>1,600</u>
Subtotal .....		3,600
<b>Subtotal, National Park Service .....</b>		<b>52,880</b>
<b>DEPARTMENTAL MANAGEMENT</b>		
Appraisal Services.....		7,441
<b>TOTAL, DEPARTMENT OF THE INTERIOR.....</b>		<b>114,663</b>



# EVERGLADES RESTORATION

(in thousands of dollars)

Bureau/Account/Program Activity	2005 Estimate	2006 Request	2006 Compared to 2005
<b>U.S. GEOLOGICAL SURVEY</b>			
Surveys, Investigations, and Research .....	7,738	7,738	+0
Biological Research .....	0	150	+150
Total, U.S. Geological Survey .....	<u>7,738</u>	<u>7,888</u>	<u>150</u>
<b>FISH AND WILDLIFE SERVICE</b>			
Resource Management			
Comprehensive Everglades Restoration Plan			
Implementation.....	3,304	3,351	+47
Ecological Services.....	2,518	2,554	+36
Refuges and Wildlife .....	4,787	5,787	+1,000
Migratory Birds .....	0	103	+103
Law Enforcement.....	627	636	+9
Fisheries.....	99	100	+1
Land Acquisition			
Great White Heron.....	740	0	-740
Total, Fish and Wildlife Service .....	<u>12,075</u>	<u>12,531</u>	<u>+456</u>
Comprehensive Everglades Restoration Plan .....			
Reimbursable Agreement with Corps of Engineers.....	[3,000]	[2,500]	[-500]
<b>NATIONAL PARK SERVICE</b>			
Operation of the National Park System			
Park Management.....	25,266	25,854	+588
Comprehensive Everglades Restoration Plan			
Implementation.....	5,213	5,245	+32
Task Force.....	1,290	1,305	+15
Everglades Research.....	3,882	3,898	+16
Construction			
Modified Water Deliveries Project.....	7,965	25,000	+17,035
Land Acquisition			
Everglades Acquisition Management .....	1,500	1,400	-100
Total, National Park Service.....	<u>45,116</u>	<u>62,702</u>	<u>+17,586</u>
<b>BUREAU OF INDIAN AFFAIRS</b>			
Operation of Indian Programs			
Seminole, Miccosukee Tribe Water Studies .....	388	388	+0
Seminole Everglades Restoration .....	148	0	-148
Total, Bureau of Indian Affairs .....	<u>536</u>	<u>388</u>	<u>-148</u>
<b>TOTAL, DEPARTMENT OF THE INTERIOR .....</b>	<b>65,465</b>	<b>83,509</b>	<b>+18,044</b>



# INVASIVE SPECIES

(in thousands of dollars)

Bureau/Goal	2004 Actual	2005 Estimate	2006 Estimate
<b>BUREAU OF LAND MANAGEMENT</b>	<b>7,558</b>	<b>7,058</b>	<b>8,358</b>
Prevention.....	1,646	1,540	1,566
Early Detection/Rapid Response.....	1,250	1,250	1,712
Control and Management .....	3,169	3,080	3,845
Restoration.....	946	677	712
Research .....	0	0	0
Education & Public Awareness.....	0	0	12
Leadership / International Cooperation.....	547	511	511
<b>U.S. GEOLOGICAL SURVEY</b>	<b>10,975</b>	<b>11,157</b>	<b>11,610</b>
Prevention.....	0	0	0
Early Detection/Rapid Response.....	1,650	1,630	1,630
Control and Management .....	0	0	0
Restoration.....	0	0	0
Research .....	9,325	9,527	9,980
Education & Public Awareness.....	0	0	0
Leadership / International Cooperation.....	0	0	0
<b>FISH AND WILDLIFE SERVICE</b>	<b>21,578</b>	<b>24,606</b>	<b>23,157</b>
Prevention.....	1,715	1,698	1,651
Early Detection/Rapid Response.....	2,769	3,720	3,826
Control and Management .....	10,807	10,149	8,942
Restoration.....	6,287	9,039	8,738
Research .....	0	0	0
Education & Public Awareness.....	0	0	0
Leadership / International Cooperation.....	0	0	0
<b>NATIONAL PARK SERVICE</b>	<b>9,900</b>	<b>9,900</b>	<b>9,900</b>
Prevention.....	0	0	0
Early Detection/Rapid Response.....	0	0	0
Control and Management .....	9,900	9,900	9,900
Restoration.....	0	0	0
Research .....	0	0	0
Education & Public Awareness.....	0	0	0
Leadership / International Cooperation.....	0	0	0

**APPENDIX H**
**INVASIVE SPECIES**  
(in thousands of dollars)

Bureau/Goal	2004 Actual	2005 Estimate	2006 Estimate
<b>BUREAU OF INDIAN AFFAIRS</b>	<b>2,083</b>	<b>2,057</b>	<b>2,066</b>
Prevention.....	104	102	103
Early Detection/Rapid Response.....	417	411	413
Control and Management .....	1,250	1,235	1,240
Restoration.....	104	102	103
Research .....	208	207	207
Education & Public Awareness.....	0	0	0
Leadership / International Cooperation.....	0	0	0
<b>OFFICE OF INSULAR AFFAIRS</b>	<b>2,321</b>	<b>2,662</b>	<b>2,700</b>
Prevention.....	186	183	186
Early Detection/Rapid Response.....	425	420	425
Control and Management .....	1,510	1,862	1,889
Restoration.....	200	197	200
Research .....	0	0	0
Education & Public Awareness.....	0	0	0
Leadership / International Cooperation.....	0	0	0
<b>BUREAU OF RECLAMATION</b>	<b>2,729</b>	<b>2,729</b>	<b>2,729</b>
Prevention.....	246	269	269
Early Detection/Rapid Response.....	97	59	59
Control and Management .....	2,245	2,045	1,790
Restoration.....	141	356	156
Research .....	0	0	455
Education & Public Awareness.....	0	0	0
Leadership / International Cooperation.....	0	0	0
<b>TOTAL, DEPARTMENT OF THE INTERIOR</b>	<b>57,144</b>	<b>60,169</b>	<b>60,520</b>

**SUMMARY BY GOAL:**

Prevention.....	3,897	3,792	3,775
Early Detection and Rapid Response .....	6,608	7,490	8,065
Control and Management .....	28,881	28,271	27,606
Restoration.....	7,678	10,371	9,909
Research .....	9,533	9,734	10,642
Education and Public Awareness .....	0	0	12
Leadership / International Cooperation.....	547	511	511

# GRANTS AND PAYMENTS

(in thousands of dollars)

Bureau/Grant or Payment	2004 Actual	2005 Estimate	2006 Request	2006 Compared to 2005
<b>BUREAU OF LAND MANAGEMENT</b>				
General Fund Payments to Counties & Native Corporations .....	110,635	106,271	96,623	-9,648
Payments to States & Counties from Shared Receipts including NPRA & SNLMA Payments .....	67,731	226,275	174,556	-51,719
<b>MINERALS MANAGEMENT SERVICE</b>				
8(g) Payments to States.....	75,776	78,414	76,579	-1,835
Coop. & Delegated Audits of Oil & Gas Ops .....	8,495	9,045	9,175	+130
Shared Receipts from Mineral Leasing .....	1,169,389	1,827,366	1,798,067	-29,299
<b>OFFICE OF SURFACE MINING</b>				
Small Operator Assistance Program.....	1,478	1,478	0	-1,478
State Abandoned Mine Reclamation Grants .....	158,601	147,523	147,523	0
State Regulatory Grants.....	56,863	57,207	57,207	0
<b>BUREAU OF RECLAMATION</b>				
Boulder Canyon Project Payments to AZ, NV .....	600	600	600	0
Water Reclamation/Reuse Program.....	29,045	25,896	10,229	-15,667
Water 2025 .....	4,000	10,300	25,000	+14,700
<b>FISH AND WILDLIFE SERVICE</b>				
Boating Infrastructure Grants.....	8,000	8,000	8,000	0
Clean Vessel Act Grants.....	10,000	10,000	10,000	0
Coastal Wetlands Conservation .....	12,648	12,440	13,136	+696
Cooperative Endangered Species Conservation Fund .....	79,043	77,944	77,482	-462
Federal Aid to Sport Fish Restoration .....	279,518	273,006	293,915	+20,909
Federal Aid to Wildlife Restoration .....	194,936	219,198	229,740	+10,542
Fish and Wildlife Foundation .....	7,575	7,761	7,470	-291
Hunter Education & Safety Grant Program .....	8,000	8,000	8,000	0
Landowner Incentive Grants .....	28,741	21,043	38,800	+17,757
Multinational Species Conservation Fund .....	5,531	5,719	8,300	+2,581
Multi-State Conservation Grant Program.....	6,000	6,000	6,000	0
National Wildlife Refuge Fund .....	17,966	17,698	17,440	-258
Neotropical Migratory Bird Conservation.....	3,951	3,944	* [+4,000]	-3,944
North American Wetlands Conservation Fund .....	55,725	64,763	61,042	-3,721
Private Stewardship Grants .....	7,038	6,558	9,500	+2,942
State and Tribal Wildlife Grants .....	67,063	66,957	71,780	+4,823
National Outreach Program.....	10,000	10,000	10,000	0
<b>NATIONAL PARK SERVICE</b>				
Chesapeake Bay Gateway Grants .....	2,469	2,465	0	-2,465
Civil War Battlefied Sites Matching Grants .....	1,975	4,931	2,000	-2,931

## APPENDIX I

### GRANTS AND PAYMENTS (in thousands of dollars)

Bureau/Grant or Payment	2004 Actual	2005 Estimate	2006 Request	2006 Compared to 2005
<b>NATIONAL PARK SERVICE (continued)</b>				
Heritage Partnership Program .....	14,275	14,579	5,026	-9,553
Historic Preservation Grants-HBCU .....	2,963	3,451	0	-3,451
Historic Preservation Grants-Indian Tribes.....	2,963	3,205	3,205	0
Historic Preservation Grants-State Portion .....	34,570	35,500	35,500	0
LWCF State Conservation Grants .....	91,360	89,736	0	-89,736
National Trust Historic Sites.....	494	0	0	0
Native American Graves Protection Act Grants ....	2,437	2,403	2,403	0
Preserve America.....	0	10,000	12,500	+2,500
Save America's Treasures .....	32,592	29,583	15,000	-14,583
Urban Park and Recreation Recovery Grants .....	0	0	0	0
<b>DEPARTMENTAL MANAGEMENT</b>				
Kendall County, IL Land Acquisition .....	4,938	4,931	0	-4,931
Payments In Lieu of Taxes.....	224,297	226,405	199,600	-26,805
<b>OFFICE OF INSULAR AFFAIRS</b>				
American Samoa.....	22,814	22,779	23,110	+331
Brown Tree Snake .....	2,321	2,662	2,700	+38
Compact of Free Association .....	200,450	201,471	203,138	+1,667
Coral Reef Initiative .....	494	493	500	+7
Covenant Grants.....	27,720	27,720	27,720	0
Insular Management Controls.....	1,472	1,470	1,491	+21
Maintenance Assistance.....	2,272	2,268	2,300	+32
Return Federal Taxes to Guam & Virgin Islands ...	114,927	115,000	115,000	0
Technical Assistance.....	12,406	11,707	8,561	-3,146
Water and Wastewater Projects .....	0	0	1,000	+1,000
<b>TOTAL, DEPARTMENT OF THE INTERIOR.</b>	<b>3,284,557</b>	<b>4,122,165</b>	<b>3,926,918</b>	<b>-195,247</b>

\* Requested within the Multinational Species Conservation Fund request.

# RECREATIONAL FEE PROGRAM

(in thousands of dollars)

	<u>2004 Actual</u>	<u>2005 Estimate</u>	<u>2006 Estimate</u>
<b>BUREAU OF LAND MANAGEMENT</b>			
Fee Demo Revenues.....	13,250	14,000	14,000
Unobligated Balances & Recoveries.....	177	833	583
Funds Obligated.....	12,594	14,250	15,650
Unobligated Balance .....	833	583	-1,067
Total Expenditures (outlays).....	12,001	12,680	12,680
<i>Projects Approved for Use of Fees</i>			
Number of Approved Projects .....	400	450	450
Dollar Amount of Approved Projects.....	18,000	20,000	20,000
<i>Obligations by Type of Project</i>			
Visitor Services.....	3,500	3,600	3,600
Resource Protection.....	1,800	1,800	2,000
Facilities Deferred Maintenance.....	1,200	1,500	1,700
Facilities Capital Improvements .....	1,600	2,000	2,500
Facilities Routine / Annual Maintenance.....	2,150	3,000	3,500
Law Enforcement .....	-	-	-
Collection Costs .....	2,094	2,100	2,100
Other.....	250	250	250
Total Obligations.....	12,594	14,250	15,650
<b>FISH AND WILDLIFE SERVICE</b>			
Fee Demo Revenues.....	3,854	4,200	4,200
Unobligated Balances & Recoveries.....	3,952	3,513	3,513
Funds Obligated.....	3,434	4,344	4,498
Unobligated Balance .....	3,513	3,513	3,512
Total Expenditures (outlays).....	4,089	4,131	4,200
<i>Projects Approved for Use of Fees</i>			
Number of Approved Projects .....	347	400	400
Dollar Amount of Approved Projects .....	3,434	4,344	4,498
<i>Obligations by Type of Project</i>			
Visitor Services .....	1,697	2,145	2,228
Resource Protection .....	327	414	430
Facilities Deferred Maintenance .....	161	205	210
Facilities Capital Improvements .....	252	320	330
Facilities Routine / Annual Maintenance .....	379	480	500
Law Enforcement .....	-	-	-
Collection Costs.....	578	730	750
Other * .....	899	50	50
Total Obligations .....	4,293	4,344	4,498

\* In 2004, "Other" obligations included 2003 and 2004 CAM costs – an allocation of FWS general administrative costs. Balances to cover the 2003 costs were also brought forward to 2004. In 2005, a new allocation methodology was used resulting in substantially lower costs to this account.

**Recreational Fee Program**  
 (in thousands of dollars)

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	2004 Actual	2005 Estimate	2006 Estimate
<b>NATIONAL PARK SERVICE</b>			
Fee Demo Revenues ( <i>w/o deed-restricted parks</i> ) .....	128,606	129,000	130,500
Unobligated Balances & Recoveries.....	251,511	239,061	216,061
Funds Obligated** .....	141,056	152,000	162,000
Unobligated Balance .....	239,061	216,061	184,561
Total Expenditures (outlays).....	137,563	145,500	145,500
<i>Projects Approved for Use of Fees</i>			
Number of Approved Projects .....	1,431	1,000	1,500
Dollar Amount of Approved Projects .....	190,333	115,000	200,000
<i>Obligations by Type of Project</i>			
Visitor Services.....	13,025	14,100	14,100
Resource Protection.....	10,957	10,346	10,346
Facilities Deferred Maintenance*** .....	77,783	88,000	98,000
Facilities Capital Improvements .....	4,055	4,000	4,000
Facilities Routine / Annual Maintenance.....	54	54	54
Law Enforcement .....	-	-	-
Collection Costs .....	33,840	34,500	34,500
Other.....	1,342	1,000	1,000
Total Obligations.....	<hr/> 141,056	<hr/> 152,000	<hr/> 162,000

\*\* Does not include park pass obligations, which are \$5,051 in 2004 and estimated to be \$10,000 in both 2005 and 2006.

\*\*\* Does not include park pass obligations, which are \$13,760 in 2004 and estimated to be \$16,111 in 2005 and \$19,111 in 2006.

Data for the Bureau of Reclamation are not included in this table. Reclamation was not part of the Rec-Fee Demo program and therefore does not have an established program from which to base 2006 estimates nor has any historical data to report. Reclamation is in the process of complying with the recently passed legislation and expects to have data to report for the

# MINERAL REVENUE PAYMENTS TO STATES\*

(in thousands of dollars)

State	2004 Actual	2005 Estimate	2006 Estimate
Alabama .....	607	949	934
Alaska** .....	12,823	47,098	36,340
Arizona .....	169	236	232
Arkansas.....	2,361	3,693	3,634
California.....	22,769	35,487	34,918
Colorado.....	80,479	125,703	123,687
Florida.....	24	38	37
Idaho .....	2,185	3,393	3,338
Illinois .....	114	178	175
Kansas.....	1,515	2,370	2,332
Kentucky .....	90	141	139
Louisiana .....	1,361	2,129	2,095
Michigan.....	404	632	622
Minnesota.....	11	17	17
Mississippi .....	644	1,007	991
Missouri.....	711	1,112	1,094
Montana.....	30,292	47,359	46,599
Nebraska.....	20	31	31
Nevada.....	2,763	4,139	4,072
New Mexico .....	365,177	570,589	561,440
North Dakota.....	6,154	9,626	9,471
Ohio.....	350	547	539
Oklahoma.....	4,755	7,436	7,317
Oregon.....	15	17	17
Pennsylvania.....	28	44	43
South Dakota .....	473	740	728
Texas.....	1,954	3,056	3,007
Utah.....	68,781	107,512	105,788
Virginia .....	21	33	32
Washington .....	472	738	726
West Virginia.....	264	413	406
Wyoming .....	564,132	881,901	867,761
<b>Total .....</b>	<b>1,171,918</b>	<b>1,858,364</b>	<b>1,818,562</b>

\* Excludes payments made to coastal States under the Outer Continental Shelf Lands Act, as they are direct, unappropriated transfers, and late interest payments.

\*\* Includes payments made from the National Petroleum Reserve-Alaska.

Columns may not add due to rounding.



# RECEIPTS BY SOURCE CATEGORY

(in thousands of dollars)

Source Category	2004 Actual	2005 Estimate	2006 Estimate	2006 Compared to 2005
<b>OFFSETTING RECEIPTS</b>				
Onshore Energy Mineral Leasing				
Rents and Bonuses				
Oil and Gas .....	134,588	184,813	173,172	-11,641
Coal .....	109,285	392,200	389,400	-2,800
Geothermal .....	778	1,100	1,050	-50
Oil Shale .....	0	15	15	0
All Other.....	1,189	21	21	0
Royalties				
Oil and Gas .....	1,650,701	2,559,817	2,483,408	-76,409
Coal .....	413,583	477,351	495,745	+18,394
Geothermal .....	0	9,598	9,310	-288
All Other.....	74,029	126,217	125,623	-594
Subtotal, Onshore Mineral Leasing .....	2,384,153	3,751,132	3,677,744	-73,388
Noncompetitive Filing Fees.....	186	100	100	0
Grazing Fees .....	6,663	13,210	13,210	0
Timber Fees .....	26,891	27,557	41,172	+13,615
Recreation Entrance/Use Fees .....	167,605	176,955	178,650	+1,695
Park Concession Spcl Accounts & Other Fees .....	100,415	111,287	128,712	+17,425
Rent of Land and Structures.....	26,540	28,973	30,417	+1,444
Sale of Land, Water, Power, Bldgs etc .....	799,781	1,443,384	1,165,369	-278,015
Awards for Indian Claims.....	18,435	0	0	0
Offsetting Earnings on Investments.....	96,401	180,144	209,608	+29,464
All Other Offsetting Receipts .....	565,666	625,328	582,686	-42,642
Subtotal, Offsetting Receipts .....	4,192,736	6,358,070	6,027,668	-330,402
<b>UNDISTRIBUTED PROPRIETARY RECEIPTS</b>				
OCS Mineral Leasing				
Rents and Bonuses .....	644,071	646,000	677,000	+31,000
Royalties .....	4,461,130	5,240,400	6,454,100	+1,213,700
Subtotal.....	5,105,201	5,886,400	7,131,100	+1,244,700
Escrow Payout Interest.....	165	0	0	0
Subtotal, Undistributed Proprietary Receipts.....	5,105,366	5,886,400	7,131,100	+1,244,700
<b>NON-OFFSETTING GOVERNMENTAL RECEIPTS</b>				
Mined Land Reclamation Fee.....	286,707	303,688	303,778	+90
All Other Non-offsetting Receipts .....	314,299	317,375	316,801	-574
Subtotal, Non-offsetting Governmental Receipts.	601,006	621,063	620,579	-484
<b>UNDISTRIBUTED INTERFUND RECEIPTS</b>				
Non-offsetting Earnings on Investments.....	-694	681	721	+40
<b>TOTAL, DEPARTMENT OF THE INTERIOR.....</b>	<b>9,898,414</b>	<b>12,866,214</b>	<b>13,780,068</b>	<b>+913,854</b>
<i>Total excluding Reclamation and CUP Receipts .....</i>	<i>9,643,359</i>	<i>12,497,212</i>	<i>13,418,547</i>	<i>+921,335</i>



# STAFFING

(Full-Time Equivalent Staff Years)

Bureau/Office	2004 Usage	2005 Estimated Usage	2006 Estimated Usage	2006 Compared to 2005
Bureau of Land Management* .....	11,136	11,065	11,062	-10
Minerals Management Service.....	1,717	1,763	1,761	-2
Office of Surface Mining Reclamation and Enforcement .....	567	580	580	0
Bureau of Reclamation .....	5,750	5,757	5,749	-8
U.S. Geological Survey .....	9,002	8,950	8,824	-126
Fish and Wildlife Service .....	9,345	9,378	9,408	+30
National Park Service .....	20,399	20,671	20,680	+9
Bureau of Indian Affairs.....	9,712	9,605	9,614	+9
Departmental Offices				
Departmental Management* .....	646	660	661	+8
National Business Center .....	1,099	1,149	1,159	+10
Office of the Solicitor .....	414	422	431	+9
Office of Inspector General .....	252	270	284	+14
Office of Special Trustee for American Indians .....	507	581	581	0
Office of Insular Affairs .....	37	40	40	0
Central Utah Project.....	5	5	5	0
Natural Resource Damage Assessment and Restoration.....	4	6	6	0
National Indian Gaming Commission.....	71	81	83	+2
<b>TOTAL, DEPARTMENT OF THE INTERIOR.</b>	<b>70,664</b>	<b>70,984</b>	<b>70,929</b>	<b>-55</b>
Utah Mitigation Commission.....	12	12	12	0
<b>COMBINED TOTAL.....</b>	<b>70,676</b>	<b>70,966</b>	<b>70,941</b>	<b>-55</b>

\* The 2006 budget proposes to transfer management of the Central Hazardous Materials Fund from BLM to Departmental Management. To facilitate comparability CMHF staffing is shown in DM for all years.

